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2d Session

HOUSE OF REPRESENTATIVES

REPORT
99-696

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATION BILL, 1987

JULY 18, 1986.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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Mr. LEHMAN of Florida, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H.R. 5205]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1987.

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The accompanying bill would provide $10,284,900,569 in new budget (obligational) authority for the programs of the Department of Transportation and related agencies, an increase of $3,270,386,000 over the $7,014,514,569 requested in the budget. The amount recommended is $137,924,000 more than the amount enacted to date in fiscal year 1986, including the $133,800,000 contained in the Urgent Supplemental Appropriations Act, 1986. However, in fiscal year 1986 certain Coast Guard programs were supplemented by appropriations made to the defense readiness and coastal defense augmentation accounts in the Department of Defense Appropriations Act, 1986. When the fiscal year 1986 appropriations are adjusted to reflect these additional funds, the amount recommended for fiscal year 1987 is $318,701,000 less than the amounts enacted for similar activities in fiscal year 1986.

Appropriations to liquidate contract authorizations totaling $14,953,000,000 are recommended. The sum is $242,625,000 less than the budget estimate and $539,000,000 less than the $15,492,000,000 appropriated for fiscal year 1986.

The Committee has also recommended limitations on obligations for a number of programs which are, for the most part, financed by multi-year contract authority in legislative acts. The total of the limitations on obligations for these programs is $15,478,660,000. This is an increase of $174,720,000 over the levels enacted for fiscal year 1986.

BILL HIGHLIGHTS

Selected major recommendations are:

(1) The appropriation of $2,797,447,000 for operations of the Federal Aviation Administration, $32,580,000 more than the budget request;

(2) A provision providing for obligations of not to exceed $13,125,000,000 for federal-aid highways, the same as the fiscal year 1986 level;

(3) The appropriation of $1,849,800,000 for operating expenses of the Coast Guard;

(4) A continuation of funding for the existing urban mass transportation formula grant program at a level of $2,000,000,000;

(5) A total of $613,000,000, including funds derived by transfer, for grants to the National Railroad Passenger Corporation (Amtrak);

(6) A provision providing for obligations of not to exceed $1,017,200,000 for airport development and planning grants, together with the appropriation of $50,000,000 for capital improvements at the metropolitan Washington airports;

(7) A total of $829,914,000, including funds derived by transfer, for facilities and equipment of the Federal Aviation Administration;

(8) A provision providing for obligations of not to exceed $1,015,000,000 for the discretionary grants program of the Urban Mass Transportation Administration;

(9) The appropriation of $200,000,000 for transit projects substituted for interstate highway segments;

(10) The appropriation of $141,700,000 for the research, engineering, and development activities of the Federal Aviation Administration;

(11) A continuation of funding for the construction of the Washington, D.C. metrorail system at the fiscal year 1986 level of $217,239,000; and

(12) A general provision providing that the air traffic controllers who were fired as a result of the 1981 strike shall not, as a class, be barred from reemployment as air traffic controllers.

TABULAR SUMMARY

The following table summarizes the amounts recommended in the bill for fiscal year 1987 in comparison with the budget estimates and amounts provided for fiscal year 1986:

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1986 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1987

	Adjusted new budget (obligational) authority, fiscal year 1986 [1]	Budget estimates of new budget (obligational) authority, fiscal year 1987	New budget (obligational) authority recommended in the bill	Bill compared with adjusted	Bill compared with estimates
TITLE I—DEPARTMENT OF TRANSPORTATION					
Office of the Secretary	$79,239,000	$56,540,000	$73,443,000	−$5,796,000	+$16,903,000
Coast Guard	2,242,183,000	2,391,600,000	2,396,607,000	+154,424,000	+5,007,000
Federal Aviation Administration	3,891,827,000	3,800,880,000	3,836,647,000	−55,180,000	+35,767,000
Federal Highway Administration	75,985,000	26,515,000	121,234,000	+45,249,000	+94,719,000
National Highway Traffic Safety Administration	80,246,000	83,930,000	88,600,000	+8,354,000	+4,670,000
Federal Railroad Administration	671,988,000	46,777,000	691,712,000	+19,724,000	+644,935,000
Urban Mass Transportation Administration	2,511,551,000		2,465,839,000	−45,712,000	+2,465,839,000
Saint Lawrence Seaway Development Corporation			2,000,000	+2,000,000	+2,000,000
Research and Special Programs Administration	18,470,000	20,024,000	20,800,000	+2,330,000	+776,000
Office of the Inspector General	26,413,000	27,630,000	27,770,000	+1,357,000	+140,000
Subtotal, Department of Transportation	9,597,902,000	6,453,896,000	9,724,652,000	+126,750,000	+3,270,756,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1986 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1987—Continued

	Adjusted new budget (obligational) authority, fiscal year 1986 [1]	Budget estimates of new budget (obligational) authority, fiscal year 1987	New budget (obligational) authority recommended in the bill	Bill compared with adjusted	Bill compared with estimates
TITLE II—RELATED AGENCIES					
Architectural and Transportation Barriers Compliance Board	1,890,000	1,975,000	1,975,000	+85,000	
National Transportation Safety Board	21,341,000	21,430,000	22,240,000	+899,000	+810,000
Interstate Commerce Commission	46,108,000	48,300,000	47,900,000	+1,792,000	−400,000
Panama Canal Commission	425,775,000	437,250,000	434,173,000	+8,398,000	−3,077,000
U.S. Railway Association	2,297,000		2,297,000		+2,297,000
Washington Metropolitan Area Transit Authority	51,663,569	51,663,569	51,663,569		
Subtotal, related agencies	549,074,569	560,618,569	560,248,569	+11,174,000	−370,000
Total, new budget (obligational) authority	10,146,976,569	7,014,514,569	10,284,900,569	+137,924,000	+3,270,386,000

[1] Fiscal year 1986 adjusted represents appropriations after Gramm-Rudman-Hollings reductions.

COMMITTEE HEARINGS

The Committee has conducted extensive hearings on the programs and projects provided for in the Department of Transportation and Related Agencies Appropriations Bill for fiscal year 1987. These hearings are contained in seven published volumes totaling 6,340 pages. The Committee received testimony from officials of the executive branch, Members of Congress, officials of the General Accounting Office, state and local government officials, and private citizens.

The bill recommendations for fiscal year 1987 have been developed after careful consideration of all the information available to the Committee.

TOTAL TRANSPORTATION OBLIGATIONAL AUTHORITY—FEDERAL FUNDS AND TRUST FUNDS

In addition to the new budget (obligational) authority contained in the accompanying bill, very large amounts of obligational authority are provided for transportation activities without requiring consideration by the Congress during the annual appropriation process. The principal items in this category are federal-aid highways and grants-in-aid for airports. In fiscal year 1987, the new budget authority becoming available under earlier or "permanent" law is estimated to total $5,133,061,000. Details of these activities are reflected in a table appearing on pages 131 and 132 of this report. The new budget authority recommended in the accompanying bill, together with funds becoming available through permanent legislation, would provide total budget authority of $15,417,961,569 for transportation activities in fiscal year 1987.

PROGRAM, PROJECT, AND ACTIVITY

During fiscal year 1987, for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), with respect to appropriations contained in the accompanying bill, the term "program, project, and activity" shall mean any item for which a dollar amount is contained in an appropriation Act (including joint resolutions providing continuing appropriations) or accompanying reports of the House and Senate Committees on Appropriations, or accompanying conference reports and joint explanatory statements of the committee of conference. This definition shall apply to all programs for which new budget (obligational) authority is provided, as well as to discretionary grants, Urban Mass Transportation Administration and interstate transfer grants-highways, Federal Highway Administration. In addition, the percentage reductions made pursuant to a sequestration order to funds appropriated for facilities and equipment, Federal Aviation Administration and for acquisition, construction, and improvements, Coast Guard, shall be applied equally to each "budget item" that is listed under said accounts in the budget justifications submitted to the House and Senate Committees on Appropriations as modified by subsequent appropriation Acts and accompanying committee reports, conference reports, or joint explanatory statements of the committee of conference.

TITLE I—DEPARTMENT OF TRANSPORTATION

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

Appropriation adjusted, 1986	$49,094,000
Budget estimate, 1987	[1] 51,540,000
Recommended, 1987	49,094,000
Comparison:	
Appropriation adjusted, 1986	
Budget estimate, 1987	−2,446,000

[1] Does not include $5,000,000 requested for transportation planning, research, and development activities that are funded under a separate appropriation.

This appropriation finances the costs of policy development and central supervisory and coordinating functions necessary for the overall planning and direction of the Department. It covers the immediate secretarial offices as well as those of the assistant secretaries and the general counsel. The minority business resource center is also operated in the Office of the Secretary to assist minority business firms, entrepreneurs, and venture groups in securing construction contracts and subcontracts.

The Committee recommends $49,094,000 for Office of the Secretary salaries and expenses, which is the same as the adjusted fiscal year 1986 level. The Committee has not approved the requested merger of the salaries and expenses and the transportation planning, research, and development accounts. The Committee believes these accounts are too dissimilar in function to warrant merging into a single account.

The bill includes language making statutory office-by-office funding allocations as follows:

	Fiscal year 1986 adjusted	Fiscal year 1987 estimate	Recommended
Secretary	$938,000	$950,000	$938,000
(Positions)	(14)	(14)	(14)
Deputy Secretary	469,000	475,000	469,000
(Positions)	(10)	(10)	(10)
General Counsel	5,321,000	5,380,000	5,300,000
(Positions)	(115)	(115)	(115)
Policy and International Affairs	7,465,000	[1] 7,550,000	7,465,000
(Positions)	(158)	[2] (156)	(156)
Budget and Programs	2,086,000	2,110,000	2,096,000
(Positions)	(42)	(42)	(42)
Governmental Affairs	2,488,000	[3] 2,475,000	2,475,000
(Positions)	(56)	(54)	(54)
Administration	20,030,000	[4] 22,650,000	20,030,000
(Positions)	(177)	(173)	(173)
Public Affairs	1,426,000	1,400,000	1,400,000
(Positions)	(31)	(30)	(30)
Executive Secretariat	746,000	755,000	746,000
(Positions)	(23)	(23)	(23)
Contract Appeals Board	383,000	390,000	390,000
(Positions)	(5)	(5)	(5)
Office of Civil Rights	1,244,000	1,260,000	1,260,000
(Positions)	(24)	(24)	(24)
Office of Small Business Utilization	3,732,000	4,370,000	3,732,000
(Positions)	(14)	(14)	(14)
Office of Commercial Space	478,000	[5] 575,000	478,000
(Positions)	(9)	[6] (9)	(9)
Office of Essential Air Service	1,723,000	630,000	1,750,000
(Positions)	(34)	(—)	(34)
Regional Representatives	565,000	570,000	565,000
(Positions)	(12)	(12)	(12)
Total salaries and expenses	49,094,000	51,540,000	49,094,000
(Positions)	(724)	(681)	(715)

[1] Does not include $3,000,000 requested for transportation planning, research, and development activities that are funded under a separate appropriation.

[2] Does not include 26 positions requested for transportation planning, research, and development activities that are addressed under a separate appropriation.

[3] Does not include $150,000 requested for transportation planning, research, and development activities that are funded under a separate appropriation.

[4] Does not include $150,000 requested for transportation planning, research, and development activities that are funded under a separate appropriation.

[5] Does not include $1,700,000 requested for transportation planning, research, and development activities that are funded under a separate appropriation.

[6] Does not include 2 positions requested for transportation planning, research, and development activities that are addressed under a separate appropriation.

The Committee is dissatisfied with the quality of legal advice that has been provided to the Secretary over the last year on an assortment of budgetary and financial issues. On several different occasions, the General Accounting Office found it necessary to issue legal opinions expressing strong disagreement with the legal advice provided the Secretary on various appropriation issues. The Committee advises the Secretary to take necessary steps to improve the quality of legal analyses on budgetary and financial issues.

The bill also includes language reserving $3,000,000 for the minority business resource center. These funds, together with an estimated $500,000 in carryover funds, will make $3,500,000 available for the purposes of this center—the same amount as that provided for fiscal year 1986.

SAFETY PROGRAM IMPROVEMENTS

The Committee has reviewed all of the reports issued to date by the Secretary's Safety Review Task Force and has discussed many of the findings with various modal administrators during the fiscal year 1987 budget hearings. These reports have been useful in focusing attention on departmental safety programs, and propose many constructive recommendations that should be implemented. The Committee notes that many of the problems that were identified and solutions that were proposed by the task force have surfaced in previous studies and reports of other organizations—such as the NTSB or the GAO. The Committee is concerned that the work of this task force might come to the same end as the preceding studies unless special efforts are made to ensure that the various modal agencies fully implement the recommendations. The Committee expects the Office of the Secretary to give the same high level attention to implementing these recommendations, along with others proposed by the GAO and the NTSB, as it did in studying the problems.

The Committee intends to examine the Department's efforts to improve its safety programs during the fiscal year 1988 budget hearings. To aid in this endeavor, the bill contains a general provision (section 321(a)) requiring the Department to prepare a comprehensive report on the status of its safety enforcement programs.

TELEPHONE MONITORING

It is the Committee's understanding that plans are now being considered within the Department to increase significantly the degree to which DOT employees' telephone calls are monitored. In view of the sensitive privacy issues involved, the Committee wishes to review any plan to change present practice before it is implemented. The Committee expects to receive a complete report on such plan no later than 30 days before implementation. This report shall expressly delineate how the calls of political appointees would be treated versus the calls of career employees.

TRANSPORTATION PLANNING, RESEARCH, AND DEVELOPMENT

Appropriation adjusted, 1986	$3,349,000
Budget estimate, 1987	[1] 5,000,000
Recommended, 1987	3,349,000
Comparison:	
Appropriation adjusted, 1986	
Budget estimate, 1987	−1,651,000

[1] Requested as part of salaries and expenses appropriation.

This appropriation finances those research activities and studies concerned with planning, analysis, and information development needed to support the Secretary's responsibilities in the formulation of national transportation policies. The program is carried out primarily through contracts with other federal agencies, educational institutions, nonprofit research organizations, and private firms.

The Committee recommends $3,349,000 for this appropriation. This is the same as the adjusted fiscal year 1986 level. These funds are to be distributed as follows:

Personnel compensation and benefits	$1,700,000
(Policy office positions)	(24)
(Commercial space office positions)	([1])
Planning, research, and development contracts	1,500,000
Travel and administrative costs	149,000

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[1] Nine positions are allocated under the salaries and expenses appropriation.

Of the funds available for planning, research, and development contracts, the Committee has included the following amounts:

Long range strategic transportation planning study	$250,000
Shipment of nuclear materials study	250,000
Hazardous materials flow study	500,000

These studies are addressed in the bill under Title III, General Provisions (section 321).

The Committee reiterates its interest in receiving the comprehensive report on safety inspector staffing and workload goals that was originally due on March 1, 1986. The Committee is not satisfied that the Department places sufficient emphasis on such quantitative measures when developing budgetary and staffing proposals for these important functions.

The Committee has disapproved the requested $1,600,000 for research contracts to support commercial space launch vehicle licensing activities. According to recent testimony of the director of commercial space transportation: (1) no licenses have been requested under the Commercial Space Launch Act; (2) no license applications are currently being processed; (3) discussions with potential applicants have suggested that they are two to three years away from making such requests; and (4) contracts for an indepth analysis of operational safety procedures on launch ranges would not be entered into for a year.

Of the funds provided for planning, research, and development contracts in fiscal year 1987, the Committee directs that not less than 50 percent be obligated for contracts with historically black colleges or economically and socially disadvantaged contractors.

(LIMITATION ON WORKING CAPITAL FUND)

Limitation adjusted, 1986	($64,500,000)
Budget estimate, 1987	(69,640,000)
Recommended, 1987	(64,500,000)
Comparison:	
Limitation adjusted, 1986	
Budget estimate, 1987	(−5,140,000)

The bill includes language limiting fiscal year 1987 obligations of the Department of Transportation working capital fund to $64,500,000, the same as the fiscal year 1986 level.

The working capital fund finances those administrative services that can be centrally performed in the Department. This fund is reimbursed in advance by the operating administrations and the offices being served. The major activities financed by this mechanism include computer operations, publishing and graphics activities, library services, and certain other support services.

PAYMENTS TO AIR CARRIERS

Appropriation adjusted, 1986	$26,796,000
Budget estimate, 1987	

Recommended, 1987	21,000,000
Comparison:	
Appropriation adjusted, 1986	−5,796,000
Budget estimate, 1987	+21,000,000

The Committee recommends an appropriation of $21,000,000 for payments to air carriers, which together with an estimated carryover of $11,000,000 will provide a program level of $32,000,000.

Under the Airline Deregulation Act of 1978, the Civil Aeronautics Board was abolished at the end of the first quarter of fiscal year 1985 and most of the functions, including the payments to air carriers program, were transferred to the Department of Transportation. Under that Act, the payments to air carriers program expires on October 24, 1988.

Under this program, subsidy payments are made to air carriers providing essential air service that would not be provided but for subsidy. Subsidy is paid to cover the carrier's costs and return needs. Air service has been maintained in approximately 150 communities under this program.

The following tables show the carriers and points receiving long term subsidy or hold-in compensation for fiscal year 1986:

CARRIERS RECEIVING LONG-TERM SEC. 419 COMPENSATION AND THE COMMUNITIES SERVED

Carriers	Communities served	Estimated annual compensation [1]
AAA Airlines	Columbus, Norfolk, NE; Yankton, SD	$897,091
Air Kentucky	Mt. Vernon, IL	390,362
Air Midwest	Dodge City, Garden City, Goodland, Great Bend, Hays, Hutchinson, Parsons, KS; Lamar, CO; Harrison, Jonesboro, AR.	2,318,706
Alaska Airlines	Cordova, Gustavus, Petersburg, Wrangell, Yakutat, AK	1,973,534
Alliance	Manistee/Ludington, MI; Manitowoc, Marinette/Menominee, WI	715,473
Alpine Aviation	Moab, UT	218,089
Atlantic Southeast Airlines	Gadsden, AL	111,409
Atlantis Airlines	Moultrie/Thomasville, GA	404,240
AVAir	Rocky Mount, NC	147,222
Bar Harbor Airlines	Lewiston/Auburn, ME	209,092
Bemidji Airlines	Thief River Falls, MN	198,472
Big Sky Airlines	Glasgow, Glendive, Havre, Lewistown, Miles City, Sidney, Wolf Point, MT; Williston, ND.	1,850,000
Britt Airways	Sterling/Rock Falls, IL	242,022
Brockway Air	Plattsburgh, Massena, Watertown, Saranac Lake, Ogdensburg, NY	1,029,300
Cascade Airways	Olympia, WA	77,592
Centennial Airlines	Worland, WY	410,972
Chitina Air Service	Boswell Bay, Cape Yakataga, Chitina, Icy Bay, AK	127,888
Christman Air System	Beckley, Princeton/Bluefield, WV	552,895
Colgan Airways	Clarksburg, Morgantown, Elkins, WV; Hot Springs, VA	812,202
Desert Sun Airlines	Blythe, CA	450,000
Direct Air	Kokomo, IN	286,907
Eagle Commuter	Brownwood, Paris, TX	621,359
Ellis Air Taxi	Chisana, Gulkana, May Creek, McCarthy, AK	56,333
Exec Airlines	Ponce, PR	205,134
Exec Express	Enid, Ponca City, McAlester, OK	676,421
Frontier Flying Service	Wiseman, AK	10,800
Golden Pacific Airlines	Kingman, Winslow, AZ	$460,956
GP Express Airlines	McCook, Kearney, Hastings, Sidney, Alliance, Chadron, NE	1,325,076
Great Lakes	Clinton, Ottumwa, IA	548,421
Green Hills Aviation	Kirksville, MO	424,991
Harbor Air Service	Seward, AK	53,331
Harold's Air Service	Central, Circle, AK	32,136
Horizon Airlines	Moses Lake, WA; Pendleton, Salem, OR; Twin Falls, ID	655,970

CARRIERS RECEIVING LONG-TERM SEC. 419 COMPENSATION AND THE COMMUNITIES SERVED—Continued

Carriers	Communities served	Estimated annual compensation[1]
Hub Air	Farewell, Flat, Takotna, Tatalina, AK	22,396
JetAire Airlines	Santa Fe, NM	79,099
Mesa Air Shuttle	Carlsbad, Hobbs, Gallup, Silver City, NM	443,596
Mesaba Airlines	Mason City, Fort Dodge, IA; Brookings, Huron, Mitchell, SD; Fairmont, Mankato, Worthington, MN.	1,472,836
Pacific Southwest Airlines	Stockman, CA	240,159
Peninsula Airlines	Atka, St. George, Kodiak Bush Community Cluster, AK (19 points)	519,488
Precision Airlines	Montpelier/Barre, VT	155,232
Prime Air	Clarksville, TN	299,715
Rio Airways	Temple, TX	173,068
Rocky Mountain	Grand Island, North Platte, Scottsbluff, NE	480,003
Royale Airlines	Natchez, MS	114,681
Ryan Air Service	Council, AK	3,600
San Juan Airlines	Aberdeen/Hoquiam, WA	212,605
Simmons Airlines	Jackson, Sault Ste. Marie, MI	492,631
Sky West Airlines	Cedar City, UT; Page, AZ; Ely, NV	933,144
Sunbird	Athens, GA	250,033
WestAir	Crescent City, Santa Rosa, CA	404,105
Wheeler Airlines	Danville, VA	400,000
Wings West Airlines	Merced, Modesto, Visalia, CA	775,290
Total, normal subsidy		25,966,077

[1] Based on estimates of February 1, 1986.

CARRIERS THAT RECEIVED FINAL HOLD-IN-RATES, FISCAL YEAR 1986[1]

Carriers	Communities served	Estimated annual compensation
Seair Alaska	Cape Newenham/Cape Romanzof, AK	$28,278
Sunbird	Winston-Salem, NC	204,167
Total		232,445

[1] First 5 months of fiscal year 1986. Annual compensation cannot be accurately estimated because the amount of hold-in subsidy depends on how many and when carriers file notice to leave points, how long they are held in, and how promptly claims are filed.

CARRIERS RECEIVING INTERIM HOLD-IN COMPENSATION, FISCAL YEAR 1986[1]

Carriers	Communities served	Estimated annual compensation
Air Midwest	Hot Springs, AR	$194,773
Britt Airways	Sterling/Rock Falls, IL	64,462
Pioneer	Alliance, Chadron, Sidney, NE	132,361
Total		391,596

[1] First 5 months of fiscal year 1986. Annual compensation cannot be accurately estimated because the amount of hold-in subsidy depends on how many and when carriers file notice to leave points, how long they are held in, and how promptly claims are filed.

COAST GUARD

SUMMARY OF FISCAL YEAR 1987 PROGRAM

The Coast Guard, as it is known today, was established on January 28, 1915, through the merger of the Revenue Cutter Service and the Lifesaving Service. This was followed by transfers to the Coast Guard of the United States Lighthouse Service in 1939 and the Bureau of Marine Inspection and Navigation in 1942. The Coast Guard has as its primary responsibilities the enforcement of all applicable federal laws on the high seas and waters subject to the jurisdiction of the United States; safety of life and property at sea; aiding navigation; and maintaining a state of readiness to function as a specialized service of the Navy in time of war.

The Committee recommends a total program level of $2,416,607,000 for the activities of the Coast Guard in fiscal year 1987. This is $10,007,000 more than the budget request, and $3,714,000 more than the fiscal year 1986 adjusted program level. In addition, the Department of Defense Appropriations Act, 1986, provides funds under the coastal defense augmentation account for the procurement of Coast Guard equipment. It is estimated that $286,850,000 will be available under this account in fiscal year 1986 and that $69,750,000 will be available in fiscal year 1987.

The following table summarizes the fiscal year 1986 adjusted program levels, the fiscal year 1987 program requests, and the Committee's recommendations:

	Fiscal year 1986 adjusted program level	Fiscal year 1987 program request	Recommended in the bill
Operating expenses	[1] $1,742,294,000	$1,862,800,000	$1,849,800,000
Acquisition, construction, and improvements	[2] 218,806,000	77,100,000	101,850,000
Alteration of bridges	4,976,000		
Retired pay	[3] 339,489,000	364,000,000	364,000,000
Reserve training	58,857,000	65,200,000	[4] 63,857,000
Research, development, test, and evaluation	[5] 17,847,000	20,500,000	20,100,000
Boat safety	[6] 28,710,000	[6] 15,000,000	[6] 15,000,000
Other Coast Guard activities	1,914,000	2,000,000	2,000,000
Total	2,412,893,000	2,406,600,000	2,416,607,000
Coastal defense augmentation	[7] (286,850,000)	[8] (69,750,000)	[8] (69,750,000)

[1] Includes $20,400,000 in transfers, $15,000,000 in fiscal year 1985 carryover funds, and $100,000,000 appropriated in Department of Defense Appropriations Act, 1986.

[2] Reflects transfer of $21,250,000 from coastal defense augmentation account and transfer of $10,400,000 to operating expenses.

[3] Reflects transfer of $2,000,000 to Federal Aviation Administration, operations.

[4] Includes $5,000,000 derived by transfer.

[5] Reflects reduction of $2,250,000 transferred to Federal Aviation Administration, operations.

[6] Limitation on obligations.

[7] Reflects transfer of $21,250,000 to acquisition, construction, and improvements and estimated carryover into fiscal year 1987.

[8] Estimated carryover from fiscal year 1986.

OPERATING EXPENSES

	Appropriation	*By transfer*
Appropriation adjusted, 1986	$1,606,894,000	($20,400,000)
Budget estimate, 1987	1,862,800,000	
Recommended, 1987	1,849,800,000	
Comparison:		
Appropriation adjusted, 1986	+242,906,000	(−20,400,000)
Budget estimate, 1987	−13,000,000	

The Committee recommends an appropriation of $1,849,800,000, including $15,000,000 to be derived from the boat safety account, for operating expenses of the Coast Guard. The budget proposed that an additional $15,000,000 be derived from the boat safety account. Since the appropriate authorizing legislation has not been enacted, the Committee has not approved this request. The amount recommended is $13,000,000 less than the budget estimate, but still represents a 15 percent increase over the amount appropriated for operating expenses in fiscal year 1986.

This appropriation provides funds for the operation and maintenance of multipurpose vessels, aircraft, and shore units strategically located along the coasts and inland waterways of the United States and in selected areas overseas. Operating expenses are appropriated for the following categories:

(1) *Search and Rescue.*—The Coast Guard maintains a nationwide system of boats, aircraft, cutters, and rescue coordination centers on 24-hour alert.

(2) *Aids to Navigation.*—To ensure safe passage, a network of aids to navigation is maintained. Loran navigation stations are operated in the United States and abroad to serve the needs of the armed services as well as civilian marine and air commerce. Administrative oversight is exercised over the construction, maintenance, and operation of bridges across navigable waters of the United States.

(3) *Marine Safety.*—The Coast Guard ensures compliance with various federal statutes and regulations pertaining to the merchant marine industry, operates a boat safety standards program, and is responsible for the safety and security of U.S. ports and waterways.

(4) *Marine Environmental Protection.*—The Coast Guard is responsible for preventing damage to the marine environment and enhancing environmental quality.

(5) *Enforcement of Laws and Treaties.*—The Coast Guard enforces international agreements and federal laws on the high seas and waters over which the United States exercises jurisdiction, including fisheries, drug smuggling, illegal immigration, hijacking/theft of vessels, and other unlawful activities.

(6) *Marine Science and Ice Operations.*—Marine science activities, including the International Ice Patrol, are carried out on a cooperative basis with other government agencies. Ice operations are conducted to support the requirements of Coast Guard programs and other agencies to facilitate commerce.

(7) *Military Readiness.*—The Coast Guard operates as a service of the Navy in time of war or national emergency at the direction of the President.

The Committee recommendation includes funds for 37,054 military positions and 4,549 civilian positions. These levels are the same as the budget request and represent increases over fiscal year 1986 of 2,415 military and 200 civilian positions. However, total full-time positions, including reimbursables, would be 342 military and 41 civilian positions below the fiscal year 1986 level.

The recommended reduction of $13,000,000 is based on lower than anticipated fuel costs and inflation, normal slippages in the operational dates for new vessels, shore facilities, and other equipment, and additional management efficiencies. If reduced fuel costs result in savings of more than $13,000,000 from the amount requested in the budget, the Committee expects these additional savings to be held in reserve to meet currently unanticipated contingencies. The Committee directs the Coast Guard to submit quarterly reports on fuel expenditures, including a comparison of actual and budgeted costs.

DRUG INTERDICTION

The bill includes language requiring that $372,983,000 of operating expense funds be used for drug interdiction activities. This is in keeping with the Committee's continuing commitment to such activities. The Coast Guard's interdiction activities mainly revolve around marijuana shipments, since the Drug Enforcement Administration estimates that about 60 percent of the marijuana consumed in the United States is smuggled in by sea. In addition, in recent years Coast Guard seizures of cocaine have increased at a significant rate. A breakdown of Coast Guard contraband seizures follows:

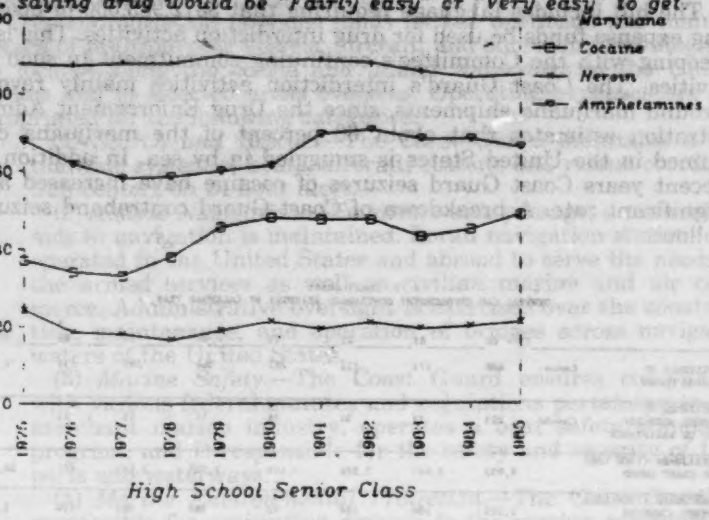
U. S. COAST GUARD
GENERAL LAW ENFORCEMENT CONTRABAND SEIZURES BY CALENDAR YEAR

		73 - 80	81	82	83	84	85	86*	TOTAL
SEIZURES BY COAST GUARD	Cases:	488	173	232	262	366	292	132	1,945
SEIZURES BY OTHER AGENCIES W/ CG ASSISTANCE	Cases:	123	22	34	26	51	45	21	322
MARIJUANA (1000 LBS) BY COAST GUARD		9,852	2,643	3,526	2,449	2,505	2,145	891	24,011
MARIJUANA (1000 LBS) OTHER AGENCIES W/ CG ASSISTANCE		1,335	184	164	92	266	265	126	2,432
COCAINE(LBS) BY COAST GUARD		84	40	9	46	1,967	6,547	3,291	11,964
COCAINE(LBS) BY OTHER AGENCIES W/ CG ASSISTANCE		14	96	828	1,000	75	792	237	3,042
HASHISH(LBS) BY COAST GUARD		47,814	34,580	0	29,962	1	2,099	0	114,456
HASHISH(LBS) BY OTHER AGENCIES W/ CG ASSISTANCE		7,408	0	18	0	0	0	1	7,427
HASHISH OIL(GAL) CG OR ASSIST		5	7	0	10	18	1	26	67
ARRESTS	Total:	2,793	805	1,076	881	1,038	796	390	7,779
	CG:	2,335	737	988	835	922	709	331	6,857

* Drug Seizures through 6/30/86

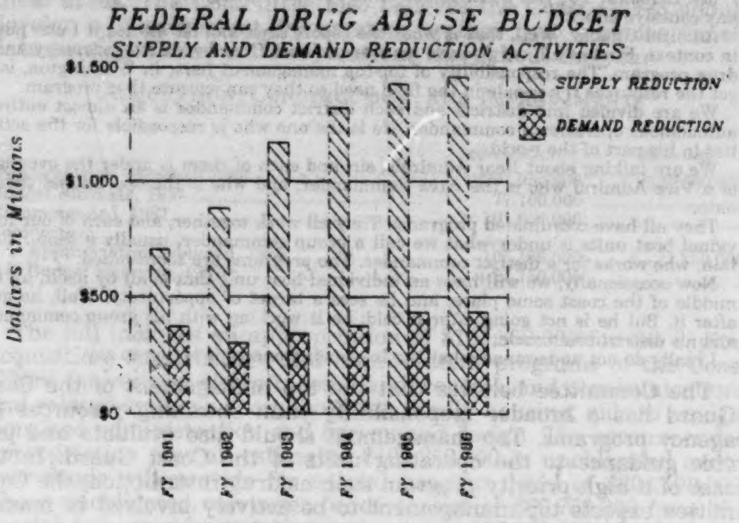
As the table indicates, the amount of marijuana seized by the Coast Guard in calendar year 1985 was about 14 percent less than in 1984 and 39 percent less than in the peak year of 1982. Conversely, seizures of cocaine have increased from 9 pounds in 1982 to nearly 2,000 pounds in 1984, and to over 6,500 pounds in 1985. The Coast Guard regards the lower amount of marijuana seizures as an indication that they have been successful in reducing maritime shipments of this substance. However, data collected by the National Institute on Drug Abuse (NIDA) that is summarized in the following table indicate that neither the increased amount of cocaine seizures nor the continuing efforts to interdict marijuana ship-

ments seem to have had any noticeable effect on reducing the availability of these substances in the United States:



TRENDS IN REPORTED AVAILABILITY

The Committee is deeply concerned by the NIDA data. It seems clear that the Coast Guard's drug interdiction activities have been only marginally effective in combating illegal drug use. While drug interdiction is important, and should be continued, other activities such as obtaining the cooperation of foreign governments in eradicating drugs, reducing demand through educational programs, stepping up domestic law enforcement efforts, and prosecuting and penalizing drug traffickers to the full extent of the law must also be fully supported and managed in a coordinated fashion. The Committee, however, is concerned that the level of federal effort in these other areas is not commensurate with that provided for drug interdiction activities. For example, the following chart shows the federal budget for drug abuse activities over the past six fiscal years:



(SOURCE: OMB/DRUG ABUSE POLICY OFFICE)

The Committee believes that future efforts to increase funding for drug abuse prevention activities should be concentrated in the demand reduction areas.

The Committee is also concerned about the effectiveness of the Coast Guard's drug interdiction activities. As indicated last year, no measurable and attainable goals have been established to determine the success or failure of Coast Guard efforts. When asked what the difference is between success and failure, the Commandant responded:

> Our goal is to do the most we can to get the highest level of interdiction and deterrence we can so we can stop smuggling, slow down smuggling, make it uneconomical while the rest of the national strategy takes hold.

The Committee does not consider this to be either a measurable or an attainable goal.

The effectiveness of the Coast Guard's drug interdiction activities was also questioned by the Department of Transportation Inspector General. The Inspector General indicated that better management controls are needed to ensure adequate law enforcement coverage and a more effective use of resources, especially concerning those boats assigned to shore units. The following discussion of the IG's report is contained in the Committee's fiscal year 1987 hearing record:

COORDINATION OF ACTIVITIES

Mr. LEHMAN. The way I read the IG's report was that the Coast Guard operated at front-line management, and reacted to situations, and that the top management of the Coast Guard was not running a coordinated campaign on an overall basis.

Admiral GRACEY. Oh, okay, Well——

Mr. LEHMAN. You had autonomous units out there doing fire zone combat without any cohesive effort.

Admiral GRACEY. Well, that is what the report says, and let me see if I can put it in context. First of all, we do have an overall Coast Guard-wide drug strategy and a drug program. The responsibility of top-top management here, in Washington, is to get the resources the people in the field need so they can execute that program.

We are divided into districts and each district commander is an almost entirely autonomous operational commander. He is the one who is responsible for the activities in his part of the world.

We are talking about Rear Admirals, sir, and each of them is under the oversight of a Vice Admiral who is the Area Commander, and who is the operational coordinator.

They all have coordinated programs. They all work together, and each of our individual boat units is under what we call a group commander, usually a senior Captain, who works for a district commander. The programs are coordinated.

Now occasionally, we will have an individual boat unit that is all by itself, up the middle of the coast some place, and he sees a target of opportunity. Well, he goes after it. But he is not going after it cold; he is working with his group commander and his district commander.

I really do not understand what the Inspector General is trying to say.

The Committee believes that the top management of the Coast Guard has a broader responsibility than obtaining resources for agency programs. Top management should also evaluate and provide guidance to the operating units of the Coast Guard. In the case of a high priority program such as drug interdiction, the Committee expects top management to be actively involved in managing field resources and to ensure accountability.

The Committee continues to believe that the Coast Guard's drug interdiction activities are an important component of our national effort to combat illegal drug use. The Committee, however, recognizes that there are not unlimited resources for this effort and expects the Coast Guard to develop program performance measures and to improve the coordination, evaluation, and direction of its drug interdiction activities in line with the Inspector General's recommendations.

MILITARY PERSONNEL COMPENSATION AND BENEFITS

The Committee has approved the budget request to delete a specific dollar set-aside for military personnel compensation and benefits. Information provided by the Coast Guard indicates that $820,700,000 is requested for military personnel compensation and benefits in fiscal year 1987. The Committee expects that any proposals to significantly deviate from this level will be reported in advance to the House and Senate Committees on Appropriations.

BUDGET PRESENTATION

The fiscal year 1984 report of the Senate Appropriations Committee (S. Report 98-179) directed the Coast Guard to develop a more detailed format to justify the agency's operating expenses appropriation request. Although some additional information is being provided as a result of this directive, the justification material still includes very limited useful information in areas such as medium and high endurance cutter operating hours by program, operating costs and availability data for the various types of aircraft and cutters, and the details of the more than $400,000,000 expended annually on aircraft, vessel, shore facility, and other maintenance activities. The Committee expects future budget justifications to address these areas. The Committee also believes the Coast Guard should develop a management information system that provides timely data on aircraft and cutter operations throughout the year.

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

	Appropriation	*By transfer*
Appropriation adjusted, 1986	$207,956,000	($21,250,000)
Budget estimate, 1987	77,100,000	
Recommended, 1987	101,850,000	
Comparison:		
Appropriation adjusted, 1986	−106,106,000	(−21,250,000)
Budget estimate, 1987	+24,750,000	

The bill includes an appropriation of $101,850,000 for the capital acquisition, construction, and improvement programs of the Coast Guard for vessels; aircraft; command, control, and communications and related systems; shore facilities; family housing; aids to navigation; and administration and survey and design. The recommended appropriation plus an estimated $102,250,000 in unobligated carryover funds will provide for a total program level of $204,100,000. These unobligated carryover funds consist of $69,750,000 from the coastal defense augmentation account and $32,500,000 from delayed or cancelled acquisition, construction, and improvement projects.

The total program level includes $144,900,000 for vessels; $5,600,000 for aircraft; $1,200,000 for command, control, and communications and related systems; $27,000,000 for shore facilities; $3,400,000 for aids to navigation; and $22,000,000 for administration and survey and design.

VESSEL PROGRAM

The recommended program level includes $144,900,000 for vessel acquisitions, improvements, and survey and design. For vessel acquisitions, the Committee recommends $4,400,000 for the 270-foot medium endurance cutter program. For vessel improvements, the Committee recommends $16,500,000 to continue the 210-foot medium endurance cutter mid-life maintenance program and $123,100,000 for the 378-foot high endurance cutter fleet renovation and modernization (FRAM) program. It is the Committee's understanding that these funding levels will meet the fiscal year 1987 contractual requirements for these three programs. The Committee has also approved the budget estimate of $900,000 for vessel survey and design.

AIRCRAFT PROGRAM

Under the aircraft program, the Committee recommends $5,600,000 for the short range recovery (SRR) helicopter program. These funds are for spares provisioning and support equipment for the SRR helicopters.

The Committee was surprised to learn that the Coast Guard is unique among the armed services in that none of its fixed wing aircraft or helicopters carry flight data recorders as standard equipment. Flight data recorder equipment has proven its value on many occasions involving commercial and military aircraft incidents, and the Committee is concerned by the Coast Guard's lack of such equipment. The Committee, therefore, directs the Coast Guard to submit a report to the House and Senate Committees on Appropriations by January 15, 1987, on the feasibility and estimated cost of installing flight recorder equipment on all existing and future Coast Guard aircraft. This report should also review the possibility of obtaining such equipment in connection with other military services' procurements of flight data recorders for joint service use.

COMMAND, CONTROL, AND COMMUNICATIONS AND RELATED SYSTEMS

The Committee has approved the budget estimate of $1,200,000 for command, control, and communications and related systems. This amount includes $900,000 to continue the development of an information resource management system and $300,000 for advanced design of command, control, and communications systems.

SHORE FACILITIES

The Committee recommends $27,000,000 for shore facilities. This is $20,600,000 less than the budget estimate. The Committee directs that the amount recommended be allocated for any previously unfunded costs of the Newport, Oregon air facility and for other high priority shore facilities as may be determined by the Coast Guard. The Coast Guard shall report to the House and Senate Committees on Appropriations no later than November 15, 1986, on the distribution of its shore facility funds.

AIDS TO NAVIGATION

The Committee has approved the budget request of $3,400,000 for aids to navigation projects. This amount includes $1,400,000 for the lighthouse automation and modernization project, and $2,000,000 to establish or improve aids to navigation in the Upper Chesapeake Bay and in the approaches to Tampa Bay.

The Committee responded to administration budget requests for funds to purchase equipment for electronic surveillance improvements of the New Orleans Vessel Traffic Service (VTS) by appropriating $6,450,000 in fiscal years 1985 and 1986. The Committee is concerned by the Department's apparent indecision about the future of the New Orleans VTS. The need continues to exist for the improvements previously approved by the Committee; therefore, the Department is expected to proceed with the procurement of VTS equipment as soon as possible.

ADMINISTRATION

The sum of $22,000,000 is recommended for acquisition, construction, and improvements program administration, including $19,500,000 for personnel compensation and benefits and $2,500,000 for personnel support and miscellaneous related costs. While the total recommended is $2,000,000 less than the budget estimate, it should provide sufficient funds to continue the current personnel levels of 297 military and 224 civilian positions.

CONTRACTOR WARRANTIES

The bill continues the language enacted for fiscal years 1985 and 1986 regarding written warranties for all contracts for major systems acquisitions of the Coast Guard. The language includes certain exceptions, such as a waiver provision in the interest of national defense. The Committee intends that this provision apply to the prime contractor in any procurement amounting to more than $25,000,000. The guarantee should specify that the system conforms with the Government's performance requirements and at the time it is provided to the United States is free from all defects in materials and workmanship. The guarantee also should state that in the event of a failure, the contractor will bear the cost of all work, including repairing or replacing all parts that are necessary, to achieve the specified performance requirement.

COAST GUARD PROCUREMENT PROCESS

In previous years the Committee has expressed concern about the procurement program of the Coast Guard. Both the General Accounting Office and the Inspector General have reported on procurement program deficiencies. In addition, a June 1985 study conducted by the Logistics Management Institute and a September 1985 study conducted by the Coast Guard Chief of Staff's office recommended that the Coast Guard reorganize its acquisition function, formalize its acquisition planning process, streamline its review process, and improve various personnel management practices in contracting offices both at headquarters and in the field. Coast Guard actions to address the recommendations of these two studies are in various stages of implementation.

A recent General Accounting Office report on the status of these procurement reform actions concludes that although it is too early to assess the effectiveness of these actions, the Coast Guard's plans, if implemented, should improve the agency's acquisition process. According to the GAO, the Coast Guard's most important action has been to centralize the acquisition function to improve procurement planning and project management. The GAO also indicates that the Coast Guard has improved the acquisition policy/oversight function and has addressed some of the staff resource recommendations.

However, the GAO report states that little progress has been made by the Coast Guard in developing an effective management information system or in addressing the training deficiencies cited in the two previously identified studies. There is a recognized need to develop a contract tracking system that allows contract managers to match actual project progress with planned milestones. With regard to training, the report indicates that the Coast Guard has just recently begun a data-gathering effort to determine the training requirements of the agency's 23 purchasing activities.

The GAO also noted that inventory management deficiencies, which can result in unnecessary procurements and lost revenues, continue to exist. As an example, the GAO cited an Inspector General report that concluded that at one of the three Coast Guard inventory control points, over 40 percent of the inventory valued at

$44,000,000 was either excess, inactive, missing or unserviceable. The Coast Guard has stated that this problem is being addressed.

The Committee is pleased that the Coast Guard has recognized that problems exist in its procurement program and that steps are being taken to address many of these problems. The Committee reiterates the concerns expressed in last year's report that the Coast Guard needs to define more thoroughly the agency's mission requirements before originating procurement actions and that the Office of the Secretary needs to become involved much earlier in the acquisition process to permit a timely assessment of the Coast Guard's mission requirements and the alternative means of satisfying those requirements. The Committee intends to continue to monitor the progress made in improving the Coast Guard procurement process.

ALTERATION OF BRIDGES

Appropriation adjusted, 1986	$4,976,000
Budget estimate, 1987	....
Recommended, 1987	....
Comparison:	
Appropriation adjusted, 1986	−4,976,000
Budget estimate, 1987	....

The Coast Guard has the responsibility to order the alteration or removal of bridges that have become unreasonable obstructions to the waterborne commerce of the United States. This account provides for the Federal Government's share of the cost of such alteration or removal.

No appropriation is recommended for this account. The Committee believes that unobligated prior-year appropriations should be sufficient to fund the ongoing projects in fiscal year 1987.

RETIRED PAY

Appropriation adjusted, 1986	$341,489,000
Budget estimate, 1987	364,000,000
Recommended, 1987	364,000,000
Comparison:	
Appropriation adjusted, 1986	+22,511,000
Budget estimate, 1987	....

The Committee has approved the budget estimate of $364,000,000 for retired pay of military personnel of the Coast Guard and the Coast Guard Reserve. Also included are payments to members of the former lighthouse service and beneficiaries pursuant to the retired serviceman's family protection plan and survivor benefit plan, as well as payments for medical care of retired personnel and their dependents under the Dependents Medical Care Act. The average number of personnel on the retired rolls is estimated to be 24,673 in fiscal year 1987, as compared with an estimated 24,312 in fiscal year 1986 and 23,755 in fiscal year 1985.

RESERVE TRAINING

	Appropriation	*By transfer*
Appropriation adjusted, 1986	$58,857,000	....
Budget estimate, 1987	65,200,000	....

	Appropriation	By transfer
Recommended, 1987	$58,857,000	($5,000,000)
Comparison:		
Appropriation adjusted, 1986		(+5,000,000)
Budget estimate, 1987	−6,343,000	(+5,000,000)

The bill includes $63,857,000, including $5,000,000 to be derived by transfer, for reserve training. This appropriation provides for the training of qualified individuals who are available for active duty in time of war or national emergency or to augment regular Coast Guard forces in the performance of peacetime missions. The program activities fall into the following categories:

Initial Training—The direct costs of initial training for three categories of nonprior service trainees.

Continued Training—The training of officer and enlisted personnel.

Operation and Maintenance of Training Facilities—The day-to-day operation and maintenance of reserve training facilities.

Administration—All administrative costs of the reserve forces program.

The amount recommended represents an increase of $5,000,000 over fiscal year 1986 and will support a ready reserve of 18,500, including a selected reserve of 12,500. This increase includes $1,785,000 for educational benefits that certain reservists are entitled to receive, $1,500,000 for annualization of the military pay raise, and $1,715,000 for inflation and restoration of the recruiting and training reductions required by the March 1, 1986, sequestration order. The Committee has not approved the requested increase of 500 positions for the selected reserve.

As has been stated in the past, the Committee believes that the augmentation training program is providing for a very efficient use of Coast Guard Reserve personnel. Testimony indicates that during fiscal year 1987 an estimated 2.12 million man-hours of augmentation training will be performed in nearly all of the major operating activities of the regular Coast Guard—such as port safety, search and rescue, boating safety, and a number of staff and support functions.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Appropriation adjusted, 1986	$20,097,000
Budget estimate, 1987	20,500,000
Recommended, 1987	20,100,000
Comparison:	
Appropriation adjusted, 1986	+3,000
Budget estimate, 1987	−400,000

The bill includes $20,100,000 for the basic and applied scientific research, development, test, and evaluation projects necessary to maintain and expand the technology required for the Coast Guard's operational and regulatory missions. This amount is essentially the same as the fiscal year 1986 level.

The following table summarizes the fiscal year 1986 appropriation, the fiscal year 1987 budget estimate, and the Committee recommendation:

Program	Fiscal year 1986 adjusted appropriation	Fiscal year 1987 budget estimate	Recommended in the bill
Search and rescue	$622,000	$600,000	$600,000
Aids to navigation	1,627,000	1,700,000	1,700,000
Marine safety	1,340,000	1,200,000	1,200,000
Marine environmental protection	1,196,000	600,000	600,000
Enforcement of laws and treaties	1,053,000	1,200,000	1,000,000
Buoy tender replacement		500,000	500,000
Patrol boat replacement	2,488,000	500,000	500,000
Advanced marine vehicles	1,244,000	1,000,000	1,000,000
Other multi-mission	1,914,000	2,800,000	2,700,000
RDT&E support and operations		2,500,000	2,400,000
Administration	8,613,000	7,900,000	7,900,000
Total	20,097,000	20,500,000	20,100,000

The amount recommended for administration will provide for 79 military and 104 civilian positions. These are the same levels as proposed in the budget request.

OFFSHORE OIL POLLUTION COMPENSATION FUND

Appropriation adjusted, 1986	$957,000
Budget estimate, 1987	1,000,000
Recommended, 1987	1,000,000
Comparison:	
Appropriation adjusted, 1986	+43,000
Budget estimate, 1987	

The Outer Continental Shelf Lands Act Amendments of 1978 require the Coast Guard to perform additional marine safety and environmental protection missions on the outer continental shelf. Title III of the Act establishes a fund to pay compensation for damages, including cleanup, resulting from oil pollution associated with activity on the outer continental shelf. Fund receipts are obtained from the collection of a fee on outer continental shelf oil.

The bill includes an appropriation of $1,000,000 together with authority to borrow from the Secretary of the Treasury to meet fund obligations. In addition, the bill includes the requested language limiting fiscal year 1987 obligations under the fund to a maximum of $60,000,000.

DEEPWATER PORT LIABILITY FUND

Appropriation adjusted, 1986	$957,000
Budget estimate, 1987	1,000,000
Recommended, 1987	1,000,000
Comparison:	
Appropriation adjusted, 1986	+43,000
Budget estimate, 1987	

The Committee recommends an appropriation of $1,000,000 for the continued operation of the Deepwater Port Liability Fund. The Committee believes that this amount, together with the unobligated balance from prior-year appropriations, should provide sufficient obligational authority for fiscal year 1987. The fund provides for the settlement, without fault, of claims for cleanup costs and damages incurred as a result of oil spills from deepwater port activities. Prior to September 25, 1984, fund receipts were obtained from fees on oil transiting deepwater port facilities. As of that date, the

Deepwater Port Act Amendments of 1984 suspended the fee unless the fund balance falls below $4,000,000. The fund balance is currently $5,606,000.

The bill also includes language providing authority to borrow from the Secretary of the Treasury and limiting total fund obligations to $50,000,000 in fiscal year 1987.

BOAT SAFETY

(LIQUIDATION OF CONTRACT AUTHORIZATION)

Appropriation adjusted, 1986	($30,000,000)
Budget estimate, 1987	(15,000,000)
Recommended, 1987	(15,000,000)
Comparison:	
Appropriation adjusted, 1986	(−15,000,000)
Budget estimate, 1987	

A liquidating cash appropriation of $15,000,000 is recommended for the recreational boating safety program as authorized by the Federal Boat Safety Act of 1971, as amended, and Public Law 98-369 (Deficit Reduction Act of 1984). This is the same as the budget estimate and $15,000,000 less than the fiscal year 1986 level.

The Internal Revenue Code of 1954, as amended, and the Federal Boat Safety Act of 1971, as amended, provide for the transfer of highway trust fund revenue derived from the motor boat fuel tax, excise taxes on sport fishing equipment, and import duties on fishing tackle and yachts to the aquatic resources trust fund. The Secretary of the Treasury estimates the amounts to be so transferred and appropriations are authorized from the fund for recreational boating safety assistance and other programs as specified by law.

LIMITATION ON OBLIGATIONS

The bill also includes language limiting fiscal year 1987 obligations under this program to $15,000,000. This limitation is the same as the budget estimate but is $13,710,000 less than the fiscal year 1986 level. Obligations under this program are incurred primarily to help enforce boating safety laws and to expand boating education programs.

FEDERAL AVIATION ADMINISTRATION

SUMMARY OF FISCAL YEAR 1987 PROGRAM

The Federal Aviation Administration (FAA) is responsible for the safety and development of civil aviation and the evolution of a national system of airports. Most of the activities of the FAA will be funded with direct appropriations in fiscal year 1987. The grants-in-aid for airports program, however, will be financed under contract authority with the program level established by a limitation on obligations contained in the accompanying bill.

The total recommended program level for FAA for fiscal year 1987 amounts to $4,905,761,000, including a $1,017,200,000 limitation on the use of contract authority. This is $94,373,000 more than the adjusted fiscal year 1986 level and $392,381,000 more than the budget request.

The following table summarizes the fiscal year 1986 adjusted program levels, the fiscal year 1987 program requests and the Committee's recommendations:

	Fiscal year 1986 adjusted program level	Fiscal year 1987 program request	Recommended in the bill
Headquarters administration	$61,631,000	$34,913,000	$34,500,000
Operations	[1] 2,662,982,000	2,764,867,000	2,797,447,000
Facilities and equipment	[2] 895,081,000	825,000,000	[3] 829,914,000
Research, engineering, and development	[4] 267,136,000	134,500,000	141,700,000
Grants-in-aid for airports	[5] 885,225,000	[5] 712,500,000	[5] 1,017,200,000
Metropolitan Washington airports	39,333,000	41,600,000	85,000,000
Total	4,811,388,000	4,513,380,000	4,905,761,000

[1] Includes $4,250,000 derived by transfer.

[2] Reflects transfer of $55,220,000 of fiscal year 1986 appropriation to research, engineering, and development.

[3] Includes transfer of $1,914,000 from fiscal year 1986 research, engineering, and development appropriation.

[4] Reflects transfer of $87,220,000 from fiscal year 1986 and prior year facilities and equipment appropriations and transfer of $1,914,000 to fiscal year 1987 facilities and equipment appropriation.

[5] Limitation on obligations.

AVIATION ACCIDENT RATES

The 1985 fatal accident rate of U.S. scheduled air carriers operating under 14 CFR 121—i.e., operations involving large passenger aircraft and all-cargo aircraft—was 3.7 times the 1984 rate. Nonscheduled air carriers operating under 14 CFR 121 had the highest accident rates in more than a decade. After achieving record low rates with only one fatal accident in 1984, U.S. carriers flying large aircraft had seven fatal accidents in 1985—four in scheduled service and three in non-scheduled service, resulting in 526 fatalities. The 1985 fatality total is second in number only to the 655 fatalities in 1977.

The four fatal accidents in scheduled service resulted in a rate of 0.071 fatal accidents per 100,000 departures for 1985, as compared with a 1984 rate of 0.019 per 100,000 departures and a rate of 0.055 for the 10-year period from 1975 to 1984.

The three fatal accidents in non-scheduled service produced a rate of 1.887 per 100,000 departures. There had been no non-scheduled air carrier fatal accidents in 1984, nor in five of the past ten years. The 1976-1984 rate was 0.483 fatal accidents per 100,000 departures.

Commuters—scheduled carriers operating smaller airplanes on short-haul or regional routes—had six fatal accidents and 35 fatalities in 1985, as compared with seven fatal accidents and 48 fatalities in 1984. There were 0.25 fatal commuter accidents last year in every 100,000 departures, a 3.8 percent reduction from 1984. The 1985 fatality rate matched the 1982 second-lowest rate that commuters had achieved. The record low was 0.13 in 1983 and the 10-year rate from 1975 through 1984 was 0.473. Also, the 1985 total accident figure for commuters is a record low and a 19 percent decrease from the total of 21 in 1984.

After achieving substantial reductions in both total accidents and fatal accident rates in 1984, on-demand air taxis recorded respective increases of 52 and 48 percent over the 23 fatal accidents and 52 fatalities in 1984. The air taxi rate of 1.12 fatal accidents per 100,000 was 49 percent higher than the 0.75 rate in 1984.

In 1985, for the first time, general aviation recorded fewer than 3,000 accidents and under 1,000 fatalities. There were 2,742 total accidents in 1985, 490 of them fatal, and 937 fatalities. This produced respective total and fatal accident rates of 8.56 and 1.53 per 100,000 hours, down 10.5 and 11.6 percent from 1984.

The Committee recognizes that aviation accidents and fatalities vary from year to year and that some classes of air carriers may have significantly different fatality levels for the current calendar year.

The following table summarizes aviation accidents, fatalities, and rates for U.S. air carriers and general aviation for 1985:

ACCIDENTS, FATALITIES, AND RATES—AIR CARRIERS AND GENERAL AVIATION

[Preliminary 1985 data]

	Accidents		Fatalities	Aircraft hours flown	Departures	Accidents rates			
						Per 100,000 aircraft hours		Per 100,000 departures	
	Total	Fatal				Total	Fatal	Total	Fatal
Air carriers:									
Air carriers operating under 14 CFR 121:									
Scheduled	17	4	197	7,831,000	5,637,000	0.217	0.051	0.302	0.071
Nonscheduled	6	3	329	333,000	159,000	1.802	0.901	3.774	1.887
Air carriers operating under 14 CFR 135:									
Scheduled [1]	17	6	35	1,599,000	2,390,000	1.06	0.38	0.71	0.25
Nonscheduled	153	35	77	3,131,000	([3])	4.89	1.12		
General aviation [2]	2,742	490	937	32,023,000	([3])	8.56	1.53		

[1] Rates are based on all accidents, including those involving operators not reporting traffic data to the Research and Special Programs Administration (RSPA).

[2] Includes accidents involving aircraft flown under rules other than 14 CFR 121 and 14 CFR 135.

[3] Data not available.

Exposure data estimate sources: RSPA and FAA.

NATIONAL AIRSPACE SYSTEM PLAN

The National Airspace System (NAS) plan is a comprehensive endeavor to consolidate, modernize, and automate the nation's air traffic control system. As currently defined by the FAA, the NAS plan is an $11,700,000,000, 11-year plan (1982–1992) that includes 86 discrete facilities and equipment projects. Some of the major NAS plan actions taken during the past year include:

—The award of a $197,000,000 contract for the host computer, the first phase of the automation modernization program.

—The delivery of partially automated (model 1) flight service systems to nine flight service station locations.

—The award of a $49,300,000 contract for 312 radar microwave link installations with an option for 692 more to enable controllers and pilots to exchange data and voice communications more efficiently.

—Completion of automated en route air traffic control (AERA 2) functional specifications.

While these actions indicate continued progress, the Committee remains concerned about the FAA's ability to manage efficiently the development and integration of the complex technical components of the NAS plan. According to the General Accounting Office, many NAS plan projects, including the advanced automation system, the host computer, fully automated flight services (model 2), microwave landing systems, and terminal Doppler weather radars, have experienced delays that often are caused by management decisions to change requirements or because system complexities have been underestimated.

The Committee is also deeply concerned about the eroding benefit-to-cost ratio of the NAS plan. According to the GAO, projected savings have dropped by 33 percent since fiscal year 1982, from $24,500,000,000 to $16,500,000,000. In addition, the GAO has given troubling testimony to the Committee questioning the level of benefits attributed by the FAA to several major NAS plan projects. This testimony has damaged the credibility of the FAA in assuring the Congress and the taxpayers that the NAS plan is being prudently managed.

In addition to management difficulties, projected NAS plan costs continue to grow. If related project funds provided before 1982 or required after 1992 and requisite research and development funds associated with NAS plan projects are added to the official NAS plan cost estimate of $11,700,000,000, the NAS plan now will cost over $15,000,000,000. This amount will increase by an estimated $550,000,000 with the addition of the terminal Doppler weather radar project. At the same time, the FAA has not realized the productivity savings from new equipment as originally predicted. The 5-month delayed submission, until September 1986, of the Congressionally requested annual NAS plan update only serves to reinforce the Committee's apprehension about NAS plan management, and justifies the need for a comprehensive and realistic assessment of the plan's initial objectives and whether such objectives still can be accomplished in a cost-effective manner.

HEADQUARTERS ADMINISTRATION

Appropriation adjusted, 1986	$61,631,000
Budget estimate, 1987	[1] 34,913,000
Recommended, 1987	34,500,000
Comparison:	
Appropriation adjusted, 1986	−27,131,000
Budget estimate, 1987	−413,000

[1] Budget proposed merging this appropriation with the operations appropriation.

The Committee recommends $34,500,000 for the headquarters administration activities of the Federal Aviation Administration. This is $27,131,000 less than the adjusted fiscal year 1986 appropriation and $413,000 less than the budget request. The activities to be financed by this appropriation in fiscal year 1987 are as follows:

Procurement.—Direct the management and procurement of materiel and supplies for the Washington headquarters.

Executive direction.—Establish and direct the implementation of policy and broad technological, operational, and managerial concepts.

Communications control.—Provide key agency officials with effective executive telecommunications.

Public affairs.—Ensure that relevant information concerning the FAA is consistently presented in a factual and timely manner.

Legal.—Provide legal counsel and advice for the handling of all legal matters with which the FAA is concerned in order to ensure conformance with the requirements of all applicable laws, rules, regulations, and orders.

Planning and policy.—Recommend FAA policy and plans, identify needed national air system changes, and perform economic analysis of regulations.

Accounting.—Provide accounting, financial advisory, and audit liaison services.

Budget.—Identify and define budgetary needs and assure that they are effectively presented to the Office of the Secretary of Transportation, Office of Management and Budget, and Congressional Committees, and that funds and other resources available to the agency are used effectively.

Civil rights.—Assure full and affirmative implementation of civil rights and equal opportunity precepts within the Federal Aviation Administration.

International aviation.—Ensure adequacy of international aviation system policies and maintain effective liaison with foreign governments.

Management systems and data systems.—Develop and administer the implementation and operation of FAA organizational plans, management systems and controls, and administrative standards and procedures; provide data processing, editorial, graphics, and publishing services.

The amount recommended would fund 507 positions, the same as the budget estimate and 128 less than the fiscal year 1986 level. The Committee believes that the recommended reduction of $413,000 can be accomplished by delays in filling currently vacant positions and by eliminating non-essential or lower priority requests for "other objects".

The Committee has deleted the language permitting transfers between this appropriation and the appropriation for operations. This transfer authority was intended to facilitate the establishment of a separate account for headquarters administration. The Committee believes this transition has been accomplished and the transfer language is no longer required.

AIRCRAFT NOISE POLICY

The Committee is concerned about the application of the Federal Aviation Administration's noise policy. This policy permits some operators of unmodified Stage I aircraft to continue to operate under exemption while others may not operate because their hush kit supplier was not issued a supplemental type certificate on or prior to September 30, 1985. The Committee believes it is possible to treat all operators equally and still ensure compliance with noise standards. Moreover, the Committee sees no sense in driving hush kit suppliers out of business by permitting their customers to fail before installation, particularly since hush kits will be required as the International Civil Aviation Organization noise deadline of January 1, 1988, approaches.

The administrator is therefore directed to report to the House and Senate Committees on Appropriations no later than August 15, 1986, on the impact of granting exemptions to foreign or domestic air carriers that both conducted operations in 1984 and held a contract for the installation of hush kit modifications on or before September 30, 1985, so that they can operate from the date on which the supplier is certificated until the hush kits are installed. This report should include the types of aircraft for which hush kits had not been certificated by September 30, 1985, but for which active applications for certification are pending; the numbers of such aircraft active worldwide; and the numbers—and their operators and nationalities—that would meet the criteria of 1984 operations and contracts on or before September 30, 1985. The report should also include the administrator's policy with regard to these aircraft and the reasons for this policy.

The Committee would hope for flexibility in this area, since the noise impact is said to be extremely limited while the economic impact has been severe, but awaits the information to be provided by the administrator.

OPERATIONS

	Appropriation	*By transfer*
Appropriation adjusted, 1986	$2,658,732,000	($4,250,000)
Budget estimate, 1987	2,764,867,000	
Recommended, 1987	2,797,447,000	
Comparison:		
Appropriation adjusted, 1986	+138,715,000	(−4,250,000)
Budget estimate, 1987	+32,580,000	

The sum of $2,797,447,000 is recommended for the operations activities of the Federal Aviation Administration. This includes $691,048,000 to be derived from the Airport and Airway Trust Fund and represents an increase of $134,465,000 over the total amount, including transfers, provided for similar activities in fiscal year 1986.

This appropriation provides funds for the operation, maintenance, communications, and logistical support of the air traffic control and air navigation systems. It also covers the administrative and managerial costs for the FAA's regulatory, airports, medical, and engineering and development programs. The operations appropriation includes the following major activities:

(1) operation on a 24-hour daily basis of a national air traffic system;

(2) establishment and maintenance of a national system of aids to navigation;

(3) establishment and surveillance of civil air regulations to assure safety in aviation;

(4) development of standards, rules and regulations governing the physical fitness of airmen as well as the administration of an aviation medical research program;

(5) administration of the research and development program; and

(6) administration of the federal grants-in-aid program for airport construction.

The following table summarizes the fiscal year 1986 adjusted appropriation, fiscal year 1987 budget estimate and Committee recommendation:

	Fiscal year 1986 adjusted appropriation [1]	Fiscal year 1987 budget estimate	Recommended
Operation of air traffic control system	$1,207,763,000	$1,204,501,000	$1,231,716,000
(Positions)	(25,130)	(24,559)	(25,625)
Installation and materiel services	187,364,000	187,788,000	184,573,000
(Positions)	(1,491)	(1,491)	(1,491)
Maintenance of air traffic control system	733,035,000	761,058,000	757,815,000
(Positions)	(10,397)	(10,038)	(10,397)
Administration of aviation standards	270,623,000	298,938,000	308,119,000
(Positions)	(4,886)	(5,024)	(5,246)
Development direction	9,872,000	9,031,000	9,031,000
(Positions)	(138)	(138)	(138)
Administration of airports program	26,957,000	26,181,000	26,181,000
(Positions)	(472)	(472)	(472)
Human resources		205,343,000	208,343,000
(Positions)		(1,295)	(1,295)
Centralized training	99,724,000		
(Positions)	(788)		
Direction, staff, and supporting services	133,021,000	72,027,000	71,669,000
(Positions)	(1,005)	(1,005)	(1,005)
Total, operations	2,668,359,000	2,764,867,000	2,797,447,000

[1] Includes $5,377,000 carryover from fiscal year 1985 and $4,250,000 derived by transfer.

OPERATION OF AIR TRAFFIC CONTROL SYSTEM

The Committee recommends $1,231,716,000 and 25,625 positions for the operation of a national system of air traffic control and flight service facilities. The operation of these facilities is designed to assure the safety, reliability and regularity of flight operations. During fiscal year 1987 it is expected that this system will control a daily average of 169,315 landings and takeoffs and 115,900 instrument rule flights, and will provide an estimated 154,800 daily flight services. It is also estimated that this system will handle a daily average of more than 1,133,400 revenue passengers during fiscal year 1987.

The major functions under this activity are as follows:

Air Traffic Control Centers and Towers.—The Committee recommends $978,791,000 and 20,058 positions for the operation of air route traffic control centers, terminal radar approach control facilities, airport traffic control towers, and certain ancillary facilities. This is $14,300,000 and 326 positions above the budget request.

The Committee has approved the proposed reductions in overhead staffing for centers and towers, but is recommending additional funds to provide for an increase of 326 air traffic controllers. This increase should support a total of 15,306 air traffic control positions—the 14,306 position level reached in February 1985, plus the additional 1,000 positions announced by the Department of Transportation on September 19, 1985.

The Committee remains concerned about air traffic controller workforce staffing. While the FAA has reported progress in improving air traffic control capacity, full performance level staffing is still below 60 percent at some critical centers. In addition, the FAA has been slow to fill the additional 1,000 positions announced last September. As of May 31, 1986, the air traffic controller workforce was 14,168. This is still more than 300 personnel short of the legislated employment level of 14,480 that must be reached by the end of fiscal year 1986. The Committee expects the FAA to make special management efforts to reach the required level with fully qualified personnel. The FAA shall provide monthly reports to the House and Senate Committees on Appropriations on the progress being made in accomplishing this objective.

The Committee is also recommending a partial restoration of the proposed reduction in overtime funds for air route traffic control centers. The budget assumes a reduction of 180,125 hours of overtime. The Committee believes that a restoration of funds to support an additional 100,000 hours of overtime over the budget estimate is necessary to avoid unacceptable levels of system delays and to accommodate unanticipated traffic growth or other system developments.

Flight Service Stations.—The Committee recommends $184,447,000 and 4,595 positions for the flight service station component of the air traffic control system. This represents an increase of $12,915,000 over the budget to restore the proposed reduction of 740 flight service station positions. The primary functions of the flight service station system are: (1) the provision of flight assistance (pre-flight, in-flight, and emergency), and (2) the collection and distribution of meteorological and aeronautical information. The number of flight services handled during fiscal year 1987 is estimated to increase by 3.5 percent over the current fiscal year.

The rationale presented by the FAA for the proposed reduction in flight service station staffing is based on productivity improvements to be achieved by the consolidation of existing flight service stations into automated facilities and on projections that flight services provided by the private sector would increase significantly. The Committee is not convinced that such savings will, in fact, be realized. The FAA has testified that no personnel savings have been achieved in the consolidation program and that the private sector is currently providing only 1.3 percent of all pre-flight services. In view of this testimony and the anticipated increase in flight services, the Committee expects the FAA to maintain full-time equivalent employment for this activity at the estimated fiscal year 1986 level of 4,492 staff years.

Planning, Direction, and Evaluation.—The Committee recommends $68,478,000 and 972 positions to support those Washington headquarters personnel responsible for defining program objectives, formulating standards, and evaluating the effectiveness of regional operations. This subactivity also includes the national communications center, central flow control facility, national flight data center, and centralized programming group, as well as certain regional headquarters personnel. The amount recommended is the same as the budget request.

INSTALLATION AND MATERIEL SERVICES

The Committee recommends $184,573,000 and 1,491 positions for the installation and materiel services activity. This activity includes: (1) supply support for the National Airspace System and certain agency aircraft, and (2) agency-wide procurement, contracting and management of property, transportation, plant services, administrative services, and administrative telecommunications.

The Committee recommendation is $3,215,000 less than the budget estimate and includes the following specific program changes:

Administrative telecommunications	−$1,743,000
Supply support costs	−1,121,000
Printing and reproduction	−351,000
Total	3,215,000

Under the Committee recommendation funding for administrative telecommunications, supply support costs, and printing and reproduction costs would be continued at or close to the fiscal year 1986 level.

MAINTENANCE OF AIR TRAFFIC CONTROL SYSTEM

The Committee recommends $757,815,000 and 10,397 positions for the maintenance of air traffic control and air navigation systems facilities. This activity includes direct maintenance, leased communications services, and the direction and engineering related to the operation and maintenance of the National Airspace System.

The amount recommended is $3,243,000 less than the budget request. This decrease is comprised of a reduction of $10,000,000 for the initial funding of a demonstration program to test contractor maintenance at certain facilities, partially offset by a $6,757,000 restoration of funds to continue the field maintenance staff at the fiscal year 1986 level of 8,327 full-time equivalents. Testimony indicates that the rate of attrition of field maintenance technicians has exceeded the productivity gains expected to be realized from the installation of new solid-state equipment and remote maintenance monitoring systems. This has resulted in an increased average repair time for failed airspace system equipment and reduced maintenance coverage for the air traffic control and air navigation systems. In view of these facts, the Committee believes that the proposed decrease of 178 full-time equivalents in fiscal year 1987 could adversely affect the reliability of the national airspace system. Therefore, the Committee has added sufficient funds to continue the current technician staff level and expects the FAA to reassess the decreases proposed for this activity for future years.

The bill includes language prohibiting the use of funds to initiate a demonstration program to test contractor maintenance at low activity airports with visual flight rule (VFR) towers, at certain nontowered airports, and at selected flight service stations. Because of the need to provide additional funding to continue the existing field maintenance staff level, the Committee believes that the initiation of this test program should be deferred.

Although the full budget request of $176,827,000 for leased telecommunication services has been approved, the Committee believes that further management efficiencies are possible in this area. The Committee expects the FAA to continue to work toward reducing these costs and to reflect the savings achieved in future budget justifications.

ADMINISTRATION OF AVIATION STANDARDS

The Committee recommends $308,119,000 and 5,246 positions for administration of the aviation standards activity. The programs included under this activity are as follows:

	Fiscal year 1986 adjusted program level	Fiscal year 1987 program request	Recommended in the bill
Aircraft certification	$35,138,000	$37,839,000	$37,839,000
Certification and inspection of aircraft operation and maintenance	114,432,000	133,773,000	144,087,000
Records servicing and analysis	3,701,000	3,569,000	3,569,000
Flight program and management of FAA aircraft	56,995,000	60,814,000	59,681,000
Planning, direction and evaluation	13,879,000	16,767,000	16,767,000
Civil aviation security	28,921,000	26,437,000	26,437,000
Medical program	9,482,000	11,132,000	11,132,000
Aviation safety	6,121,000	8,607,000	8,607,000
Undistributed supplemental	1,954,000		
Total	270,623,000	298,938,000	308,119,000

Operation and Maintenance Inspection Program.—As indicated above, the Committee has added $10,314,000 for the certification and inspection activities associated with the operation and maintenance of air carrier and general aviation aircraft. The Committee believes this increase is necessary to fully fund the additional 300 inspectors and support staff provided in fiscal year 1986 and another 200 inspectors in fiscal year 1987.

The Committee remains concerned about the effectiveness of the FAA's operation and maintenance inspection program. According to testimony presented by the General Accounting Office, the FAA has not responded effectively to the changes deregulation has brought to the airline industry. Since deregulation, the numbers of air carriers and aircraft have increased dramatically. For example, between 1978 and 1984, the number of aircraft operated by scheduled airlines increased by 40 percent—from approximately 3,000 to about 4,200. Yet the administration proposed significant staffing reductions in areas such as air safety inspections during this same timeframe. Between 1978 and 1983, the FAA reduced its inspector staff by 34 percent—from over 2,000 to 1,332.

In the area of air safety inspections, the GAO believes this slowness to respond to changing conditions was further complicated by basic management deficiencies. For instance, the FAA did not collect data on what inspections were or were not being performed or what the inspections showed. It lacked the standards necessary to provide a framework for making appropriate decisions on the minimum levels of inspections essential to ensure airline compliance with safety standards. Without adequate guidance, FAA regional officials, for the most part, gave priority to certifying new and expanding airlines rather than to inspecting existing carriers.

Although the FAA has begun to respond to these problems and has developed a long-term strategy for improving its inspection program, the GAO concluded that this program cannot adequately ensure that commercial airlines are complying with all FAA safety regulations. While additional inspectors are needed and are being provided for under the Committee recommendation, this action alone will not correct all of the deficiencies identified by the GAO. The GAO testified that the FAA does not have adequate staffing standards to determine how many and what type of inspectors are needed, or where they should be assigned within the FAA's regions. The GAO also indicated that improvements are needed in the screening of inspector applicants and in the training of those applicants that are selected.

The Committee is recommending the resources required to expand the FAA's inspector staff and expects the agency to make the training and managerial improvements necessary to ensure the effectiveness of this program. The Committee intends to continue to monitor the effectiveness of the FAA's inspection program in future budget hearings. To aid in this endeavor, the bill contains a general provision (section 321(a)) requiring the Department to prepare a comprehensive report on the status of its safety enforcement programs, including the air safety inspection program.

Flight Program.—The Committee recommends a reduction of $1,133,000 in the flight program based on reduced fuel costs and expected management efficiencies in the aircraft program.

Civil Aviation Security.—The Committee has approved the full budget request for the civil aviation security program. This includes a $1,265,000 increase over the adjusted fiscal year 1986 level to fund 38 additional full-time equivalents associated with the expanded federal air marshal program and to support the enhanced foreign and domestic airport and domestic air carrier security inspection programs. This increase is more than offset by program reductions in subsidy payments to U.S. air carriers for security screening costs and in equipment expenditures. The final authorized payment for the security screening subsidy program is expected to be made in fiscal year 1986.

DEVELOPMENT DIRECTION

The Committee has approved the budget request of $9,031,000 and 138 positions for the planning, direction, development, monitoring, and coordination of the FAA's research, development, engineering, test, and evaluation program, excluding the portion relating to aviation medical research.

ADMINISTRATION OF AIRPORTS PROGRAM

The bill includes $26,181,000 for administration of the airports program. This will provide for 472 positions, which is the same as the fiscal year 1986 level and the budget request. The airports program covers the identification, planning, development, and safety certification of the nation's system of public airports.

This year's testimony indicates that the FAA is examining the economic impact airports have on local communities. The Committee supports this review and reiterates the statement contained in last year's report that a review of the economic effectiveness of the grants-in-aid for airports program should be completed prior to the expiration of the current program authorization.

HUMAN RESOURCES MANAGEMENT

The fiscal year 1987 budget proposes the establishment of a new human resources management activity. This activity includes administration of FAA employee recruitment, compensation (including federal employees' compensation program payments and unemployment compensation), training, and labor-management relations programs. In fiscal year 1986 most of these programs were funded under centralized training, direction, staff and supporting services, or headquarters administration.

The Committee recommends $208,343,000 and 1,295 positions for human resources management. This includes $119,783,000 for the technical training conducted or administered on a centralized basis at the FAA Academy in Oklahoma City, Oklahoma. The major costs included under centralized training are: (1) the cost of instructor staff and related services, supplies, and equipment; (2) student travel and per diem costs; and (3) the cost of planning, supervising, and administering the training program. The amount recommended is $3,000,000 more than the budget estimate. The Committee believes this increase is required to assure proper training of the additional controllers, maintenance technicians, and safety inspectors for which funds have been recommended. The bill also includes the full budget request of $64,554,995 for federal employees' compensation payments.

DIRECTION, STAFF, AND SUPPORTING SERVICES

The Committee recommends $71,669,000 and 1,005 positions for those administrative and housekeeping costs that support the operating programs of the agency. Included in this activity are costs for administrative payrolls, communications, administrative supplies, and certain other support items. The amount recommended is $358,000 less than the budget estimate.

PILOT TRAINING STANDARDS

Serious questions have been raised concerning the differences in experience levels and training standards for pilots of FAR Part 121 and FAR Part 135 operators. Deregulation has resulted in a significant expansion of the airline industry, particularly commuter airlines. This service is a critically important element of our nation's air transportation system. The Committee is pleased that the safety record for commuter airlines has improved in recent years, but believes that more comprehensive training requirements, which parallel the requirements of Part 121 operators, could further enhance air safety. The Committee directs the FAA to examine the differences in pilot training standards that exist between Part 135 and Part 121 operators, and the opportunities to improve air safety by strengthening these requirements, particularly for Part 135 operators. This examination should include not only a review of the effect of these regulations on air safety, but also the development of advisory material for Part 135 training similar to that contained in Appendices E and F of Part 121. The Committee is particularly interested in enhancing the use and effectiveness of aircraft simulators or high quality training devices for Part 135 training programs to provide operationally effective and economically efficient training. The FAA is directed to submit a report with its findings and recommendations, including any changes proposed to the FAR Part 121 and Part 135 pilot training standards, to the House and Senate Committees on Appropriations by March 1, 1987.

BUDGET PRESENTATION

As in the past two fiscal years, the Committee has included a detailed breakdown of the operations appropriation. The Senate Appropriations Committee has also indicated that a more detailed format is needed for this appropriation (S. Report 98-179). In making these breakdowns, the Committee does not intend to reduce the management flexibility of the administrator. The Committee recognizes that some adjustments might be required to deal with currently unanticipated problems. The Committee, however, expects that, to the greatest extent possible, the recommended allocations will be followed and that any variations from these levels will be discussed in advance with the House and Senate Committees on Appropriations. The Committee also expects to receive quarterly reports on the obligations incurred for each activity under the operations appropriation.

CONTROLLER REHIRING

The bill includes a general provision (section 332) providing that the air traffic controllers who were fired as a result of the 1981 strike shall not, as a class, be barred from reemployment as air traffic controllers. It permits case-by-case suitability determinations by the Office of Personnel Management in accordance with existing regulations governing suitability for government employment. These regulations provide, among other things, that an individual may be found unsuitable for federal employment on account of: delinquency or misconduct in prior employment; criminal conduct; habitual use of intoxicating beverages; abuse of narcotics, drugs, or other controlled substances; or any statutory disqualification which makes the individual unfit for federal employment.

In the past, the Committee has expressed concern about air traffic controller workforce staffing, particularly full performance level (FPL) controller staffing. According to a March 1986 GAO report, the FAA has not met its goals for full performance level controllers at many major facilities and the growth in air traffic activity has so increased controller workload that controllers are stretched too thin. Information provided by the FAA indicates that as of March 31, 1986, there were only 3,272 FPL controllers on-board at air traffic control centers. This is less than 60 percent of the total number of authorized operational controllers and substantially below the FPL goal for these facilities.

The Committee recognizes that some time will be required to retrain any reemployed fired controller, but believes that the current controller staffing situation warrants, at a minimum, that consideration be given to reemploying these individuals. It is the Committee's hope that the rehiring of qualified controllers who were fired in 1981 will increase the margin of safety provided by the air traffic control system at a faster rate than is currently contemplated.

FACILITIES AND EQUIPMENT

(AIRPORT AND AIRWAY TRUST FUND)

	Appropriation	*By transfer*
Appropriation adjusted, 1986	$950,301,000	
Budget estimate, 1987	825,000,000	
Recommended, 1987	828,000,000	($1,914,000)
Comparison:		
Appropriation adjusted, 1986	−122,301,000	(+1,914,000)
Budget estimate, 1987	+3,000,000	(+1,914,000)

The Committee recommends an appropriation of $828,000,000, together with an additional $1,914,000 derived by transfer, for the installation of new equipment and the construction and modernization of facilities for the federal airway system. This appropriation also finances major capital investments required by other agency activities, such as equipment for the research, engineering, and development program. The details of these programs are as follows:

	Fiscal year 1986 adjusted appropriation	Fiscal year 1987 budget estimate	Recommended in the bill
Air route traffic control centers	$221,756,600	$226,220,200	$235,170,200
Airport traffic control towers	432,958,700	234,171,600	271,271,600
Flight service stations	−9,570,000	55,516,100	48,916,100
Air navigation facilities	151,281,900	130,989,600	89,739,600
Housing, utilities and miscellaneous	167,352,200	158,434,200	163,234,200
Aircraft and related equipment	−23,183,300	9,091,300	9,091,300
Development, test and evaluation	9,704,900	10,577,000	10,577,000
Total appropriation	950,301,000	825,000,000	828,000,000

AIR TRAFFIC CONTROL CENTERS

The bill includes $235,170,200 for facilities, equipment, and improvements of air route traffic control centers. This amount includes $33,743,000 to continue the multi-year program of providing the radar microwave link system with solid-state equipment, $18,296,000 for installation, testing and integration of the new host computer systems, $65,342,000 for the advanced automation system design competition and related costs, $20,600,000 to complete the development of the central weather processor production prototype software, $31,900,000 to purchase ten next generation weather radar (NEXRAD) systems, $27,800,000 to upgrade the traffic management system and $37,489,200 for other center equipment and improvements.

The amounts recommended include an increase of $15,700,000 over the budget to "fully fund" the radar microwave link system program and a decrease of $6,750,000 for advanced automation facilities contracts.

NEXRAD.—The Committee has approved the budget request of $31,900,000 to initiate the procurement of ten en route NEXRAD systems. According to the FAA budget justification, the FAA has agreed to pay for only 20 percent of the entire en route NEXRAD procurement. The Defense Department and the National Oceanic and Atmospheric Administration plan to fund the remaining costs. The Committee recognizes that the budget requests for each agency may vary from their respective total cost shares on a yearly basis, but expects the FAA's share of the total program cost to be limited to 20 percent. The Committee also expects the FAA to provide a complete report on future year NEXRAD funding, including each agency's cost shares by fiscal year, prior to the fiscal year 1988 appropriations hearing.

Host Computer system.—The Committee is concerned about the possibility that FAA may not have identified sufficient funds to complete the installation and deployment of the host computers. The GAO has reported that the original schedule has slipped due to problems in converting software and developing system documentation. The GAO also stated that performance testing, which may identify additional problems, has not yet started and that software enhancements, which contribute to safety and user benefits, will be delayed. The GAO concludes that additional schedule slippages and cost increases could occur. The Committee directs FAA to provide a report describing how the host schedule will be maintained within current budget estimates. In addition, the FAA should also provide its plans for converting future versions of the NAS software that incorporate planned software enhancements.

Advanced automation system.—The Committee has approved the budget request of $61,826,000 for the advanced automation system (AAS) design competition. The FAA is developing the AAS to replace the current air traffic control automation system in the mid-1990's. The FAA believes it must acquire the AAS to provide a capability beyond that of the recently acquired host computer in order to implement further efficiency improvements and provide more fuel efficient routing to airspace users. When fully implemented, the AAS is supposed to produce significant savings by allowing the consolidation of about 200 terminal radar control facilities with the existing 20 en route control centers in 23 "area control facilities".

The AAS program includes the replacement of hardware, software, and controller work stations, as well as new, highly complex, advanced automation software to perform new functions that will provide more fuel efficient aircraft routing. The FAA has a two-phased acquisition strategy—design competition and acquisition. The FAA awarded two design competition phase contracts in August 1984, but the acquisition decision has recently been delayed six months and is now scheduled for January 1988.

Over the past several years, the Committee has expressed concern regarding the FAA's approach to developing and acquiring new air traffic control systems. In June 1984, the FAA was advised not to award AAS design competition phase (DCP) contracts unless it was highly confident that the GAO's questions regarding inadequate definition of advanced automation requirements could be answered within (then current) budget plans. The FAA was also directed to report on how the AAS design efforts guaranteed that all advanced automation functions could be implemented on schedule. In August 1984, the DCP contracts were awarded. In February 1985 the FAA assured the Congress that requirements were adequately defined and could be implemented cost-effectively and on schedule. During the first year of the DCP, however, requirement changes—including changes to the advanced automation functions—have increased contract costs about 50 percent and caused a six-month schedule delay. This raises serious questions about the FAA's credibility in making reliable budget plans and lessens the Committee's confidence that the FAA can effectively manage a procurement of this size and complexity.

In June 1985, the GAO expressed concerns regarding the AAS acquisition strategy, lack of simulation testing of advanced automation functions, and lower projected productivity benefits. The Committee directed the FAA to describe what changes would be made to address these concerns. In January 1986, the FAA stated that no changes would be made because it disagrees with the GAO position that further testing before the production contract award would reduce risks. The FAA maintained that such testing would only increase costs and further delay the schedule. The Committee notes that similar arguments were made about the host computer procurement.

In April 1986, the GAO testified convincingly that AAS risks are high because systems designs, unvalidated computer simulations of predicted performance, and a limited demonstration of the controller work station are insufficient to support a concurrent development, test, and production commitment. The GAO also testified that current benefit/cost estimates, appropriately adjusted, indicate that the AAS as currently defined may not be economically justified.

While the Committee continues to support air traffic control system modernization, it is convinced that the FAA's accelerated strategy does not adequately mitigate risks. The Committee notes with interest the GAO's comparison of AAS with the Navy's SUBACS (now BSY/1) program, which relied on performance modeling and subsequently achieved an actual performance one-sixth as fast as the model predicted. This has had a major cost, schedule, and performance impact on the nation's submarine forces. Such problems must be avoided in modernizing the nation's air traffic control system.

The Committee is also concerned about software conversion problems that have delayed installation of the far less complex host computer, which FAA consistently described as a low risk program. The problems that have been encountered in the host program reinforce the Committee's concerns about the need to mitigate AAS risks. The Committee believes the FAA should change its acquisition strategy to incorporate a contract phase for system development and operational testing of critical AAS components before committing to a production phase, in order to adequately mitigate cost, schedule, and performance risks. The Committee does not intend to appropriate funds for the production phase until the FAA has completed a development and test phase that adequately demonstrates system performance. The Committee, therefore, directs the FAA to revise its AAS acquisition strategy to incorporate a development and test phase, and to verify through simulation the operational suitability and benefits of the automated en route air traffic control (AERA) functions before awarding the production contract.

AIRPORT TOWERS AND TERMINAL EQUIPMENT

The Committee recommends $271,271,600 for terminal equipment and tower facilities. This includes $195,047,000 for terminal area radars, $15,000,000 for terminal area automation and $61,224,600 for tower facilities.

Of the funds recommended for terminal area radar projects, $100,634,700 is to continue the multiyear program to replace vacuum-tube airport surveillance radars, $88,000,000 is to purchase 15 terminal Doppler weather radars, and $6,412,300 is to relocate and improve terminal radar systems. The Committee is recommending increases over the budget of $12,700,000 for airport surveillance radars and $22,500,000 for terminal Doppler weather radars. These increases would reestablish the full funding concept with regard to these two programs.

Terminal Doppler Radar.—Last year the Committee directed the FAA to accelerate a "terminal area Doppler radar" program. The Committee will continue to give priority to filling the critical need that exists for a means of detecting microburst activity and other phenomena that affect aircraft during the most crucial phases of flight, takeoffs and landings, and that have been directly responsible for major aviation disasters. As an interim response, the bill includes $88,000,000 in fiscal year 1987 for procurement of en route NEXRAD systems that will be modified and installed at terminal locations. This is $22,500,000 above the budget request. The Committee intends that these systems be installed at 14 high activity terminal locations that experience microburst and other hazardous weather phenomena plus one support system for training, development, and maintenance support. These radars will be used until the optimized terminal Doppler weather radar is procured. The modified en route NEXRAD will then be redeployed for en route use. The bill also includes the requested $4,536,000 for related Doppler weather radar development. These systems are to be installed at the following locations:

FAA Technical Center, New Jersey.
Atlanta, Georgia.
Chicago, Illinois.
Dallas-Ft. Worth, Texas.
Denver, Colorado.
Houston, Texas.
Memphis, Tennessee.
Miami/Ft. Lauderdale, Florida.
Minneapolis-St. Paul, Minnesota.

New Orleans, Louisiana.
New York Kennedy/La Guardia, New York.
Orlando, Florida.
Pittsburgh, Pennsylvania.
St. Louis, Missouri.
Tampa, Florida.

The Committee recognizes that these 15 systems do not fully meet FAA's operational requirements for a terminal Doppler weather radar and that research and development must continue in order to find solutions to the remaining technical problems such as ground clutter suppression, data update rate, fully automated warning requirements, and wind shear detection capabilities. It is the Committee's hope that procurement of the interim system at this time will produce a number of positive research and development benefits faster than would otherwise be realized.

However, in view of the technical deficiencies of the modified NEXRAD system, and because controllers and pilots will be making life-critical decisions on the basis of this radar system, the Committee expects the FAA to test and evaluate initial production units of the modified NEXRAD system in an operational environment to ensure effective performance before committing to a procurement contract.

Terminal Area Automation.—The Committee reluctantly has approved the request for an additional $15,000,000 to complete necessary improvements for the New York terminal radar approach control facility. These additional funds are required because the FAA underestimated project costs by 33 percent. The Committee finds the budget planning for this project to be unacceptable but has agreed to the additional funds only because of the critical nature of this project.

Tower Facilities.—For tower facilities the bill includes $28,529,200 to continue the installation of remote maintenance monitoring equipment, $23,153,400 to replace four control towers, $3,149,500 to purchase integrated communications switching systems, and $4,492,500 for other tower facility projects. These amounts are the same as the budget estimates. In addition, the Committee recommends an increase of $1,900,000 over the budget to establish an airport control tower at the Waukegan Regional Airport in Illinois.

The funds approved for the four airport control tower replacements are as follows:

Monroe, Louisiana	$3,223,000
Buffalo, New York	5,894,900
Albuquerque, New Mexico	6,657,800
Norfolk, Virginia	7,377,700
Total	23,153,400

The Committee is concerned by reports of the Federal Aviation Administration attempting to relocate the FAA air traffic control tower at Houston Intercontinental Airport and imposing heavy cost burdens upon the operator. The FAA has previously approved Houston's master plan construction improvements including the location of the tower. It is the will of the Committee that the FAA should not relocate the air traffic control tower at Houston Intercontinental Airport until and unless it has reported to the Appropriations Committees of both the House and the Senate the reasons for the relocation, the associated costs and identified the bearer of such costs.

FLIGHT SERVICE STATIONS

The bill includes $48,916,100 for various improvements and consolidations of flight service station facilities. This is $6,600,000 less than the budget estimate, and is comprised of $34,600,000 for flight service station consolidations, $3,600,000 to acquire equipment for the new automated facilities, $7,651,100 to realign and upgrade the direction finder network and $3,065,000 for other flight service station improvements.

The Committee has not approved the $6,600,000 requested for the model 2 flight service station automation program. As part of the flight service station modernization program, the FAA is developing direct user access terminal systems (DUATS) to reduce the workload of the FAA's flight service specialists by permitting pilots to obtain their own weather briefings and file flight plans with personal computers. Still at issue is whether DUATS will be included in the FAA's fully automated model 2 flight service station program or be an independent system.

The conference agreement on the fiscal year 1986 Continuing Resolution suspended all funding for FAA's model 2 program pending an FAA report comparing the relative cost, performance, and availability of commercial DUATS and the two FAA-developed systems. The suspension of these funds will remain in effect until both the House and Senate Committees on Appropriations have had an opportunity to evaluate the FAA's report.

At the time of the Committee mark-up, the required report had not been submitted. However, the GAO reviewed two versions of the FAA draft report and concluded that commercial DUATS appears to be the most attractive option for a national system. The GAO also confirmed that as of early May, the FAA agreed with this conclusion and recommended that the Secretary of Transportation not fund DUATS development in either the flight service station model 2 program or the FAA Technical Center's DUATS program. Therefore, the Committee is not recommending funding for either the model 2 program or the Technical Center's DUATS program, reducing the agency's facilities and equipment request by $6,600,000 and its research, engineering, and development request by $1,548,000.

AIR NAVIGATION FACILITIES

The bill includes $89,739,600, a reduction of $41,250,000 from the budget estimate, for air navigation facilities. The amount recommended includes $43,000,000 for five Loran-C transmitters to fill the mid-continent signal coverage gap, $3,653,000 for eight frangible approach light towers, $20,054,500 for automated weather observation systems (AWOS), $6,150,600 for low level wind shear alert system enhancements and $16,881,500 for other air navigation projects.

AWOS.—The Committee has approved the budget request for AWOS based on testimony indicating that these systems will not be installed at any airport where there are personnel currently taking weather observations. This is consistent with a General Accounting Office report, which concluded that these systems are not as cost-effective as weather observers at commercial airports.

LORAN-C.—The Committee has also approved the $43,000,000 requested for Loran-C transmitters to fill the mid-continent signal coverage gap. However, information provided by the FAA indicates that the incremental benefit-to-cost ratio of these mid-continent transmitters is only 1.05 and that there are no direct benefits to the FAA. In view of this relatively low benefit/cost ratio, the Committee believes that the FAA may want to reassess the need for this equipment.

Microwave Landing Systems.—The Committee has not approved the $43,000,000 requested for the procurement of additional microwave landing systems. Testimony indicates that there has been an 18-month delay in the scheduled installation of the systems currently under contract. This program slippage has made it possible to postpone funding of the second procurement increment of the microwave landing system (MLS) at this time without adversely affecting current production or gapping the production program. The Committee continues to fully support MLS and desires to proceed with funding of the second procurement next year. The present fiscal situation in which reductions must be made wherever possible is the reason for the proposed reduction.

The recent International Civil Aviation Organization decision, extending the instrument landing system protection date through 1997 makes this proposed action acceptable without disruption to the NAS plan. The Committee continues to support the development of the microwave landing system.

Runway Visual Ranges.—The bill includes an increase of $1,750,000 over the budget estimate for additional runway visual ranges (RVRs) at the 22 so-called pacing airports. These RVRs are required to substantially increase runway capability in adverse weather.

MISCELLANEOUS FACILITIES

The Committee recommends a total of $163,234,200 for housing, utilities, and miscellaneous facilities. This is $4,118,000 less than the adjusted fiscal year 1986 level, but $4,800,000 more than the budget estimate. The amount recommended includes increases of $5,000,000 to continue the airway science program and $2,000,000 for an aviation management demonstration project, partially offset by reductions of $2,200,000. The Committee believes that these reductions can be accomplished by deferring lower priority requests for improving unmanned FAA buildings and purchasing additional land, and by reducing system support costs.

As indicated, the amount recommended under this heading includes $5,000,000 for the continuation of the grant program for higher education institutions that have shown a commitment to the improvement of airway science. These funds are available for non-administrative academic materials. The Committee directs that $2,000,000 of the amount recommended be made available to Florida Memorial College.

The Committee supports cooperative efforts by the Department of Transportation and colleges or universities to develop programs in transportation and aviation management to address transportation problems and bring minorities into the transportation and aviation industry.

To further this objective, the Committee recommends language making $3,914,000, including $1,914,000 of prior year carryover funds, available for the construction of a demonstration project in computer-based airway and aviation management at the Center for Research and Training in Information-based Aviation and Transportation Management at Barry University. The amount recommended is to be combined with funds from the University and the private sector to provide research and training to minority students and others in information-based transportation and aviation planning and management.

The Committee recommends approval of the $82,500,000 budget request to provide technical and management support to FAA project/program managers for the efficient and timely implementation of the NAS plan. The Committee recognizes, however, that the cost of this support now represents almost one in every ten dollars appropriated for facilities and equipment, that modifications to the original system engineering and integration (SEI) contract have significantly increased the contract price, and that the 10-year SEI contract is now projected to cost $836,500,000.

The SEI contractor now shares with the FAA the mission responsibility for implementing the NAS plan within budget and on schedule. The 10-year, product-oriented, cost-plus-award fee contract bases the award fee on SEI contractor performance and achievement of NAS plan objectives. In 1984, the SEI contractor confirmed the technical and economic soundness of the NAS plan as conceived by the FAA. Projected savings from the NAS plan, however, have continued to erode while costs have continued to escalate.

The Committee is concerned that the current relationship between the SEI contractor and the FAA precludes the objectivity and independence envisioned by the Congress. Because of the current cost-plus-award fee contract and the SEI contractor's acceptance of the NAS plan as technically and economically sound, the contractor may be hesitant to recommend significant changes to or the termination of individual projects. Similarly, the SEI contractor is providing level-of-effort support to the FAA under a product-oriented contract, making it difficult for the FAA to objectively evaluate contractor performance.

The Committee, therefore, directs the FAA to include with its fiscal year 1988 budget request a report identifying alternatives to the existing contract that would better ensure objectivity and independence between the parties. The report should address the advantages and disadvantages of (1) an arms-length relationship between the FAA and the SEI contractor, (2) an arms-length contract whereby an independent third party determines the award fee and approves modifications to the contract, (3) a level-of-effort contract as opposed to the current product-oriented contract, and (4) awarding technical and management support contracts directly to those companies now providing such services as subcontractors to the

SEI contractor. The report should also include specific examples of where suggested changes to the NAS plan by the SEI contractor have resulted in cost savings or schedule improvements. The Committee intends to use this report in deciding whether or not to recommend approval of appropriations for the option phases of the existing contract.

AIRCRAFT

The bill includes $9,091,300 to purchase and install various avionics equipment in FAA aircraft. The amount recommended is the same as the budget request.

DEVELOPMENT, TEST, AND EVALUATION

The Committee recommends $10,577,000 for facilities and equipment to support FAA's development, test, and evaluation programs. This is the same as the budget request and $872,100 more than the fiscal year 1986 level.

REPROGRAMMING ACTIONS

The Committee recognizes that in a program of $828,000,000 some adjustments may be required during the course of the year. The Committee expects these adjustments, if required, to be accomplished only through the normal reprogramming process.

VISUAL GLIDESLOPE INDICATORS

The Committee has included a general provision (section 326) prohibiting the Federal Aviation Administration from implementing or enforcing its order 6850.26A, relating to the exclusive eligibility of a single visual glideslope indicator for federal funding, except for Part 139 air carrier airports. The Committee believes that the continued eligibility of multiple glideslope indicator systems for federal funding at non-air carrier airports will enable the aviation industry to have access to one or more systems of proven safety, and to enjoy the benefits of the competitive procurement process.

RESEARCH, ENGINEERING, AND DEVELOPMENT (AIRPORT AND AIRWAY TRUST FUND)

	Appropriation	*By transfer*
Appropriation adjusted, 1986	$181,830,000	($87,220,000)
Budget estimate, 1987	134,500,000	
Recommended, 1987	141,700,000	
Comparison:		
Appropriation adjusted, 1986	−40,130,000	(−87,220,000)
Budget estimate, 1987	+7,200,000	

The accompanying bill includes $141,700,000 for research, engineering, and development programs to improve the national air traffic control system and to increase its safety and capacity to meet the air traffic demands of the future. This appropriation also finances the research, engineering, and development needed to establish or modify federal air regulations.

The following table shows the comparable amounts for fiscal years 1986 and 1987, including the amounts recommended in the bill:

This appropriation is comprised of the following major activities:

	Fiscal year 1986 adjusted appropriation	Fiscal year 1987 budget estimate	Recommended
Air traffic control	$69,699,000	$70,805,000	$77,705,000
Advanced computers	153,090,000	22,895,000	22,895,000
Navigation	5,072,000	6,218,000	6,218,000
Aviation weather	10,210,000	6,770,000	6,770,000
Aviation medicine	5,242,000	3,767,000	4,067,000
Aircraft safety	23,003,000	22,445,000	22,445,000
Environment	2,734,000	1,600,000	1,600,000
Total	[1] 269,050,000	134,500,000	141,700,000

[1] Includes $87,220,000 derived by transfer.

AIR TRAFFIC CONTROL

The Committee recommends $77,705,000, an increase of $6,900,000 over the budget request, for the air traffic control activity. This activity applies existing technology to air traffic control problems to maintain the safe and efficient operation of the current system, and supports improvements to increase the system's productivity and capacity. This activity also includes programs designed to ensure that the airport/airway systems will meet the projected aviation requirements of the 1990s. Some of the major air traffic control programs funded in the bill include the operational testing of the traffic alert and collision avoidance systems (TCAS), development of a voice switching and control system, continued development of the automated en route air traffic control (AERA) concept, airport capacity research, and the overall systems engineering and direction for improving the air traffic control system.

TCAS.—The Committee recommends an increase of $3,000,000 over the budget request for a TCAS III limited implementation program. The Committee recognizes that the FAA has begun a limited implementation program for TCAS II. The Committee is concerned that unless a similar evaluation for TCAS III is conducted by the FAA there may be a significant delay in the availability of this equipment for those air carriers that wish to install TCAS III systems on their aircraft. Therefore, the Committee directs the FAA to modify the present limited implementation program so that TCAS III can be subjected to the same evaluation following completion of the TCAS II evaluation. The Committee recommends $3,000,000 to begin this program modification and also directs the FAA to provide to the Committee by January 1, 1987, a description of a complete TCAS III limited implementation program and the details of the funds required to complete such a program.

Airport Capacity Research.—The Committee also recommends an increase of $5,500,000 over the budget request for airport capacity research. The Committee believes that insufficient attention and funding have been given to airport research and development needs for capacity improvements. A lack of airport capacity has already become one of the primary causes of aviation congestion and delay and threatens to become an increasing safety hazard and constraint on the national air transportation system. According to FAA estimates, 11 airports were seriously congested in 1984 and 22 airports (accounting for over 55 percent of air carrier enplanements) will become seriously congested by 1995 unless their capacities are increased.

An industry task force on airport capacity improvements and delay reduction, established by the FAA in 1982, has identified a number of technological concepts which, if implemented, could provide short and long-term capacity increases at the most congested airports. Among the task force recommendations are: (1) reduce in-trail separation between arriving aircraft, which may increase capacity by up to six arrivals per hour; (2) reduce spacing between parallel runways from the current 3,400 feet to as low as 3,000 feet, when safety permits, which could permit the construction of new runways on existing airports; (3) introduce in a safe manner independent aircraft operations to existing converging runways; and (4) improve runway pavement technology and materials to minimize delays due to runway construction and repairs, which now account for over 20 percent of total delays.

The Committee believes that these and other airport airside innovations should be fully pursued by the FAA through a research and development program to develop, demonstrate, and implement such capacity enhancement concepts. The Committee is recommending an increase of $5,500,000 for this purpose.

DUATS.—As previously indicated, the Committee has deleted the $1,548,000 requested for development of a Technical Center DUATS.

ADVANCED COMPUTERS

The bill includes $22,895,000 for the development of en route and terminal advanced automation systems designed to accommodate the demands for air traffic services expected beyond the mid-1990s. The amount recommended is the same as the budget estimate and includes $1,372,000 for factory, installation, and system evaluation testing of the host computer and $21,523,000 for advanced automation system design and technical support efforts, including certain in-house FAA costs.

NAVIGATION

The Committee recommends the budget request of $6,218,000 to modernize, expand, and improve the common navigation system facilities in the United States and in overseas areas where international agreements require U.S. participation. The major programs included under this activity involve the continued operational testing of the microwave landing system, the development of airborne wind shear detection and avoidance systems, the investigation of improved helicopter navigation and landing systems, and the continued evaluation of the Global Positioning System (GPS) as a replacement for existing VOR/DME systems.

AVIATION WEATHER

The bill includes $6,770,000 to improve the acquisition, processing, dissemination, and display of aviation weather information. The funds are provided primarily to support the development of the next generation weather radar (NEXRAD), terminal Doppler weather radar, and central weather processor programs. The amounts recommended for these programs are the same as the budget estimates.

AVIATION MEDICINE

The sum of $4,067,000 is recommended for conducting aeromedical research to identify and eliminate those physiological and psychological factors that are harmful to personnel engaged in operating the traffic control system or that may jeopardize flight safety. The amount recommended is $300,000 more than the budget request. This increase is to investigate the human interface with an automated air traffic control system and highly automated new aircraft. For example, the Committee believes a greater emphasis could be placed on analyzing the operational implications of failures in automated aircraft systems.

AIRCRAFT SAFETY

The Committee has approved the budget request of $22,445,000 for the development and modification of regulations to promote flight safety of civil aircraft and for the development of systems and devices to prevent and deter sabotage in the civil air transportation system.

The Committee believes there is a need for a cooperative interagency program to develop new explosive detection systems. Such systems could prevent or deter the hijacking and sabotage of United States civil aircraft and reduce the likelihood of other terrorist attacks on U.S. citizens and installations throughout the world. The FAA, therefore, is encouraged to work with the military services, the Department of State, and federal law enforcement agencies to develop an effective and efficient explosives detection system.

ENVIRONMENT

The bill includes $1,600,000 for air pollution and noise control research, primarily associated with FAA's certification and enforcement requirements. The amount recommended is the same as the budget request and $1,134,000 less than the fiscal year 1986 appropriation.

GRANTS-IN-AID FOR AIRPORTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(AIRPORT AND AIRWAY TRUST FUND)

Appropriation adjusted, 1986	($693,000,000)
Budget estimate, 1987	(800,000,000)
Recommended, 1987	(800,000,000)

Comparison:

Appropriation adjusted, 1986	(+107,000,000)
Budget estimate, 1987	....

The Committee has approved the full budget request of $800,000,000 in liquidating cash for grants-in-aid for airports. This is $107,000,000 more than the amount appropriated for fiscal year 1986.

LIMITATION ON OBLIGATIONS

The bill also includes a limitation on obligations for airport development and planning grants that are financed under contract authority. The limitation recommended for fiscal year 1987 is $1,017,200,000. This is $131,975,000 more than the fiscal year 1986 adjusted level. The Committee believes this increase is necessary to ensure that the airport component of our aviation system develops along with the airway portion. Both the Office of Technology Assessment and the FAA have indicated that airports will be the limiting factor to aviation growth if no actions are taken.

Within the obligation level recommended, the Committee urges that priority be given to grant applications involving the construction or further development of the following airports:

Opa Locka Airport, Florida
Scranton/Wilkes-Barre International Airport, Pennsylvania
Taos Municipal Airport, New Mexico
Philadelphia International Airport, Pennsylvania
Palm Beach International Airport, Florida
Benedum Airport, West Virginia
Martin County Airport, Florida
Los Angeles International Airport, California
Allentown-Bethlehem-Easton International Airport, Pennsylvania
Osceola Municipal Airport, Iowa
Knoxville Municipal Airport, Iowa
Logan International Airport, Massachusetts

The Committee expects applications for discretionary funds from Philadelphia International Airport/Northeast Philadelphia Airport to receive high priority consideration. The Committee has been informed that Philadelphia, the nation's fourth largest metropolitan area, is one of only a few primary airport sites that have never requested nor received discretionary funding under the 1982 Airport and Airway Improvement Act. The projects for which applications have now been made will provide substantial and necessary air service expansions and economic stimuli for the tri-state region served by these facilities.

The Committee expects Logan International Airport to receive high priority consideration for its application for continuation of the Neptune Road noise relocation project, and directs the FAA to provide the House and Senate Committees on Appropriations with a report on the status of funding for this project by January 1, 1987. This eligible project is part of an effort to provide relocation assistance in a neighborhood of East Boston located only 2,000 feet from the threshold of one of Logan's runways. The Committee believes that the $3,000,000 requested for fiscal year 1987 for this project by Logan Airport is an appropriate amount.

The Committee is concerned that the delivery schedule of MLS may preclude providing service to communities that presently qualify for and desire a more rapid provision of a precision landing capability. Because of this concern, the FAA is directed to allocate up to $5,000,000 from the grants-in-aid for airports program for purchase or lease and installation of instrument landing systems and approach lighting for those airports that meet the agency's qualifying criteria.

RESCISSION

The bill includes language that would rescind $50,000,000 of contract authority for the airport grant program. The amounts recommended for rescission would not otherwise be available for obligation under the enacted prior fiscal year and recommended fiscal year 1987 limitations on obligations. Under the terms of section 426 of the Surface Transportation Assistance Act, this rescission is expected to be applied to the supplementary discretionary fund and not to affect formula entitlements.

GENERAL PROVISION—SMOKING IN AIRPORTS

The bill includes a general provision (section 328) prohibiting grants-in-aid to any airport that fails to provide designated and enforced smoking and non-smoking areas for passengers in airport terminal areas. The Committee believes that passengers who for health reasons must avoid smoke—such as infants, those recovering from illnesses, and those with chronic respiratory problems—as well as those who choose to avoid inhaling smoky air should be entitled to the same health and safety protection in airports as in flight.

OPERATION AND MAINTENANCE, METROPOLITAN WASHINGTON AIRPORTS

Appropriation adjusted, 1986	$32,634,000
Budget estimate, 1987	34,600,000
Recommended, 1987	35,000,000
Comparison:	
Appropriation adjusted, 1986	+2,366,000
Budget estimate, 1987	+400,000

The Committee recommends an increase of $400,000 over the budget request for the operation and maintenance of Washington National and Dulles International airports. The amount recommended would provide for 720 positions, an increase of 13 positions over the budget request and the fiscal year 1986 level. The Committee believes this increase is essential to improve airport security at these two airports. Testimony indicates that there are currently 137 authorized police positions at the airports. Under the Committee recommendation, this level would be increased to 150 positions.

The Committee has approved the requested language permitting funds received from air carriers, concessionaires, and non-federal tenants to be credited to this appropriation to cover utility and fuel costs in excess of $6,682,000. In so doing, the Committee does not intend this mechanism to be used to eliminate future budget requests and associated Congressional review of all subsequent utility and fuel cost increases. The Committee expects future budgets to include reasonable allowances to cover such cost increases.

The operation of these airports is conducted on a business basis with revenues derived from landing fees, concession activity, and lease arrangements deposited as receipts in the general fund of the Treasury. The direct operating costs and capital outlays are financed by direct appropriations. Combined revenues are expected to be $59,559,000 in fiscal year 1987. The combined net operating profit for the airports is estimated to be $22,978,000, consisting of profits of $18,407,000 at Washington National and $4,571,000 at Dulles International. After accounting for $8,685,000 in depreciation and interest expenses, the estimated net profit for the two airports will be $14,293,000.

CONSTRUCTION, METROPOLITAN WASHINGTON AIRPORTS

Appropriation adjusted, 1986	$6,699,000
Budget estimate, 1987	7,000,000
Recommended, 1987	50,000,000
Comparison:	
Appropriation adjusted, 1986	+43,301,000
Budget estimate, 1987	+43,000,000

The Committee recommends $50,000,000, an increase of $43,000,000 over the budget estimate, to finance major improvements and expansions of facilities at the metropolitan Washington airports. In addition, the accompanying bill requires that the Secretary complete necessary capital improvement master plans for these airports by March 31, 1987.

Information provided by the Department of Transportation indicates that these two airports will require funding of more than $500,000,000 in capital improvements to meet projected growth, particularly to accommodate several "hub-and-spoke" operations that are developing at Dulles International. However, the FAA budget request for the metropolitan Washington airports included funding only to the extent necessary to continue present operations and to provide for required ongoing repair and rehabilitation work. It is the Department's position that these airports should be transferred to a new airport authority that would then be responsible for funding all of the major new capital development at both airports.

However, as stated last year, the Committee is concerned about the condition of the facilities at these airports. The Committee does not believe that all Members are convinced that the proposed transfer of the airports to an airport authority is the correct way to address these concerns, or that such a transfer will occur soon enough to provide timely improvement in the airports' physical condition. Accordingly, the Committee is recommending $50,000,000 to meet the airports' ongoing repair and rehabilitation needs, to purchase and install a terminal Doppler weather radar system, and to begin the major new capital development work required at both airports.

AIRCRAFT PURCHASE LOAN GUARANTEE PROGRAM

Borrowing authority adjusted, 1986	($75,000,000)
Budget estimate, 1987	(125,000,000)
Recommended, 1987	(75,000,000)

Comparison:	
Borrowing authority adjusted, 1986	....
Budget estimate, 1987	(−50,000,000)

The Committee recommends language that permits the Secretary of Transportation to borrow up to $75,000,000 from the Secretary of the Treasury to pay defaulted loans. This is the same as the fiscal year 1986 level and $50,000,000 less than the budget estimate. According to the Office of Management and Budget and the Congressional Budget Office, the borrowing authority provided in Appropriation Acts for this program is not new budget authority.

Testimony indicates that FAA has paid approximately $169,000,000 as a result of defaulted loans. The Committee is alarmed at the extent of these defaults and believes that the requested borrowing authority of $125,000,000 for fiscal year 1987 would offer virtually no incentive for the parties involved to employ options such as rolling over the loan or extending the payment time to attempt to work out a potential default. The Committee, therefore, has reduced the amount of borrowing authority to the fiscal year 1986 level of $75,000,000. If this is insufficient, the Committee, of course, would consider a supplemental request for the payment of loan defaults.

FEDERAL HIGHWAY ADMINISTRATION

The Federal Highway Administration provides financial assistance to the states to construct and improve roads and highways, enforces federal standards relating to interstate motor carriers and the highway transport of hazardous materials, and provides technical assistance to other agencies and organizations involved in road building activities. Title 23 U.S.C. and other supporting legislation provide authority for the various programs of the Federal Highway Administration. Most of the funding for the Federal Highway Administration is provided by contract authority, with program levels established by annual limitations on obligations provided in appropriation bills.

REAUTHORIZATION ASSUMPTIONS

For purposes of comparison, the Committee has assumed that highway programs will, for the most part, be reauthorized at the same levels and to the same extent as provided in current law for fiscal year 1986. Any exceptions are duly noted.

SUMMARY OF FISCAL YEAR 1987 PROGRAM

Under the Committee recommendation, a total program level of $14,117,434,000 would be provided for the activities of the Federal Highway Administration for fiscal year 1987. This is $1,310,919,000 more than the budget estimate and $258,471,000 less than the amounts provided for similar activities for fiscal year 1986.

The following table summarizes the fiscal year 1986 adjusted program levels, the fiscal year 1987 program requests and the Committee's recommendations:

Program	Fiscal year 1986 adjusted program level	Fiscal year 1987 program request	Recommended in the bill
Highway safety research and development	$8,134,000	$7,000,000	$7,000,000
Highway-related safety grants	[1] 9,570,000	[1] 10,,000,000	[1] 10,000,000
Railroad-highway crossings demonstration projects	15,312,000		23,500,000
Federal-aid highways	[1] 13,125,000,000	[1] 12,420,000,000	[1] 13,125,000,000
Other highway projects	33,318,000		70,287,000
Motor carrier safety	13,302,000	19,515,000	20,447,000
Motor carrier safety grants	16,269,000	([2])	[1] 50,000,000
Exempt programs	[3] 1,155,000,000	[3] 350,000,000	[3] 811,200,000
Total	14,375,905,000	12,806,515,000	14,117,434,000

[1] Contract authority obligation ceiling.

[2] Request of $50,000,000 included under Federal-aid highways.

[3] Contract authority exempt from obligation ceiling.

LIMITATION ON GENERAL OPERATING EXPENSES

Limitation adjusted, 1986	($194,999,000)
Budget estimate, 1987	(206,191,000)
Recommended, 1987	(202,750,000)
Comparison:	
Limitation adjusted, 1986	(+7,751,000)
Budget estimate, 1987	(−3,441,000)

This limitation provides for the salaries and expenses of the Federal Highway Administration required to conduct and administer the "federal-aid highways" program and most other federal highway programs. The limitation also includes a number of contract programs, such as highway research and development, skill training, and minority business enterprise.

Administrative costs for highway-related safety grants are transferred to the limitation. In addition, the entire appropriation for highway safety research and development is transferred to and administered through this limitation.

The limitation recommended is $7,751,000 more than the fiscal year 1986 adjusted level and $3,441,000 below the budget request. The following table summarizes the fiscal year 1986 adjusted limitation, the fiscal year 1987 budget estimate, and the Committee's recommendation:

	Fiscal year 1986 adjusted limitation	Fiscal year 1987 budget request	Recommended
Program direction, coordination, and general support	$139,283,000	$137,887,000	$145,381,000
Demonstration projects	1,470,000	2,970,000	2,970,000
Data systems and other services	13,632,000	22,880,000	15,386,000
National Highway Institute	1,000,000	1,416,000	1,416,000
Contract programs	39,614,000	41,038,000	39,288,000
R&D, highways	(12,244,000)	(15,000,000)	(13,000,000)
Skill training	(4,294,000)	(2,500,000)	(2,500,000)
Highway safety R&D	(8,134,000)	(7,000,000)	(7,000,000)
Minority business enterprise	(8,588,000)	(10,000,000)	(10,000,000)
Commodity flow study	(50,000)	(850,000)	(850,000)
Minority business demonstration bonding program	[1] (0)	[1] (0)	[1] (0)
Interjurisdictional trucking program	(853,000)	(500,000)	(500,000)
National accident sampling system	(400,000)	(350,000)	(350,000)
Rural transportation	(4,251,000)	(4,838,000)	(4,838,000)
Virginia highway studies	(300,000)	(0)	(0)
Los Alamos to Santa Fe study	(500,000)	(0)	(0)
Liberty City study	(0)	(0)	(250,000)

	Fiscal year 1986 adjusted limitation	Fiscal year 1987 budget request	Recommended
Less: Reduction based on project delays			–1,691,000
Total	194,999,000	206,191,000	202,750,000

[1] $5,000,000 was set aside for the minority business demonstration bonding program in fiscal year 1985, which is now being administered under contract by the Office of the Secretary.

The recommended reduction from the budget is based, in part, on project delays and the availability of carryover funds in contract programs. Similar delays resulted in a $8,995,000 carryover into fiscal year 1986. The Committee is also recommending a reduction of $2,000,000 in the research and development program.

Although no additional funds have been statutorily reserved for the minority business demonstration bonding program, the Committee expects the Federal Highway Administration to make all necessary staffing and funding resources available as may be required by the Office of the Secretary to continue this program at the current rate of operation.

TURNER-FAIRBANK HIGHWAY RESEARCH CENTER

The bill includes language (section 311) prohibiting the use of funds to change the current federal status of the Turner-Fairbank highway research center.

The Committee notes that the administration's proposal to privatize the Turner-Fairbank research facility was made without the benefit of any objective analysis of the advantages and disadvantages, cost-effectiveness or feasibility of privatizing versus retaining agency operation of the facility. According to testimony before the Committee, a feasibility study was to be initiated soon and would not be completed until the end of the current fiscal year. In addition, during the hearing, the Federal Highway Administration's associate administrator for research, development, and technology indicated that the administration's proposal has had a negative effect on the morale of research personnel. His testimony reads, in part, as follows:

> I might just add that because this is out, it's had an initial negative impact on some of our really outstanding research personnel, and I have lost, for instance, my top chemist as of next month. And it's kind of interesting that he's been with us for more than 15 years and he's going to go to the private sector.

The Committee will not support a privatization request for this facility until all related feasibility and personnel issues have been addressed in full.

LIBERTY CITY HIGHWAY STUDY

The Committee recognizes that insufficient access exists from Interstate 95 to the Liberty City area of Dade County, Florida, particularly in the vicinity of 54th Street. Within available general operating expense funds, the Committee directs the Federal Highway Administration to carry out a study to determine ways of improving access to this community. It is the Committee's intention that the study shall consider the feasibility of providing an off-ramp or other interchange configuration at 54th Street, identify other options for improving access, and take into account social and economic benefits of improved highway access as well as traditional highway engineering factors. The administrator should submit this report to the House and Senate Committees on Appropriations no later than February 1, 1987. In the interim, the Federal Highway Administration, in cooperation with the Florida Department of Transportation, is encouraged to participate in alternative solutions to the Liberty City access problem, such as an extended frontage road system connecting with the existing interchange at 62nd Street.

HOWARD FRANKLAND BRIDGE STUDY

The Committee is aware that an interstate construction project is underway with the Florida Department of Transportation to replace and rehabilitate portions of Interstate 275—the Howard Frankland Bridge, which crosses Tampa Bay and connects St. Petersburg and Tampa. Within available funds, the Committee expects that the administrator will coordinate a study with the Florida Secretary of Transportation to evaluate changes in the I-275 project to provide public access to beach areas on the north and south sides of the man-made fill on the east and west ends of the bridge and to implement those changes. The study and implementation should also provide for a means of access from the bridge to these recreational areas. Given that construction of this project is underway, the Committee would expect the expeditions completion of this study and implementation of this work so that it can be incorporated into this project.

HIGHWAY SAFETY RESEARCH AND DEVELOPMENT

(HIGHWAY TRUST FUND)

Appropriation adjusted, 1986	$8,134,000
Budget estimate, 1987	7,000,000
Recommended, 1987	7,000,000
Comparison:	
Appropriation adjusted, 1986	−1,134,000
Budget estimate, 1987	

The Committee recommends $7,000,000 for the highway safety research and development efforts of the Federal Highway Administration. This is the same as the budget estimate and a $1,134,000 reduction from the fiscal year 1986 level. The research conducted under this program is used to support the safety standards established as a result of the Highway Safety Act of 1970. Major projects include accident analysis; safety criteria for traffic control signals, lighting systems, and work zone traffic operations; improved bridge rail and traffic barriers; improved safety of large trucks; and safety program support.

HIGHWAY-RELATED SAFETY GRANTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

Appropriation adjusted, 1986	($9,000,000)
Budget estimate, 1987	(12,000,000)

Recommended, 1987	**(12,000,000)**
Comparison:	
Appropriation adjusted, 1986	**(+3,000,000)**
Budget estimate, 1987	

A liquidating cash appropriation of $12,000,000 is recommended to assist states and localities in implementing the highway safety standards administered by the Federal Highway Administration. These standards cover traffic control devices, highway surveillance, and the highway-related aspects of pedestrian safety. The amount recommended is the same as the budget request and $3,000,000 more than the fiscal year 1986 appropriation.

LIMITATION ON OBLIGATIONS

The bill also includes language limiting fiscal year 1987 obligations under this program to $10,000,000. This limit is the same as the budget request and $430,000 more than the fiscal year 1986 adjusted level. Obligations under this program are incurred to develop systems, procedures, and manuals to assist highway agencies in the planning and implementation of safety improvements on highway facilities.

RAILROAD-HIGHWAY CROSSINGS DEMONSTRATION PROJECTS

Appropriation adjusted, 1986	**$15,312,000**
Budget estimate, 1987	
Recommended, 1987	**23,500,000**
Comparison:	
Appropriation adjusted, 1986	**+8,188,000**
Budget estimate, 1987	**+23,500,000**

The bill includes $23,500,000 for railroad-highway crossings demonstration projects originally authorized by the Federal-Aid Highway Act of 1973, as amended. These projects involve the relocation of railroad lines from the central areas of cities, the elimination or protection of public ground-level highway crossings, and the construction of overpasses and underpasses. The purpose of the program is to alleviate community disruptions caused by railroad facilities located in the business and residential areas of the cities.

A summary of the funding status and estimated cost of these projects follows:

RAILROAD-HIGHWAY CROSSINGS DEMONSTRATION PROJECTS—ALLOCATIONS, OBLIGATIONS, AND ESTIMATED COSTS AS OF MAY 31, 1986

[Amounts in thousands of dollars]

City	Source	Type of project	Federal funds allocated	Federal funds obligated	Estimated project cost	
					All funding sources	Federal demonstration funds only
Elko, NV	1973 Highway Act	Rail relocation	$42,530	$42,530	$44,800	$42,500
Lincoln, NE	do	Grade separations	15,450	12,579	29,000	24,600
Wheeling, WV	do	Rail relocation	600	96	40,000	38,000
Blue Island, IL	do	Grade separation	230	230	5,900	5,600
Carbondale, IL	do	Rail relocation	24,675	21,804	76,200	72,400
Dolton, IL	do	Grade separation	585	585	9,400	8,900
E. St. Louis, IL	do	do	8,661	6,550	28,700	27,100
Springfield, IL	do	Rail relocation	[1] 9,394	7,995	238,800	226,700

RAILROAD-HIGHWAY CROSSINGS DEMONSTRATION PROJECTS—ALLOCATIONS, OBLIGATIONS, AND ESTIMATED COSTS AS OF MAY 31, 1986—Continued

[Amounts in thousands of dollars]

City	Source	Type of project	Federal funds allocated	Federal funds obligated	Estimated project cost	
					All funding sources	Federal demonstration funds only
New Albany, IN	do	do	2,326	2,326	2,400	2,300
Anoka, MN	do	Grade separation	2,915	2,901	3,100	2,900
Brownsville, TX—Matamoros, Mexico.	do	Rail relocation	8,062	5,670	43,300	41,200
Greenville, TX	do	Grade separation	9,500	4,583	13,800	9,500
Lafayette, IN	1974 Highway Amendments.	Rail relocation	20,064	13,113	94,200	89,500
Hammond, IN	1974 Mass Transportation Act.	do	14,370	10,181	64,600	61,400
Metairie, LA	1976 Highway Act	Consol./gr. sep	1,702	1,474	19,000	16,500
Augusta, GA	do	Rail relocation	7,029	1,422	132,700	126,100
Pine Bluff, AR	do	Consol./gr. sep	7,612	3,316	19,900	18,900
Sherman, TX	do	Grade separation	(2)	(2)	(2)	(2)
Terre Haute, IN	1977 Appropriations Act.	do	7,000	5,437	7,400	7,000
Total			182,705	142,792	873,200	821,100

[1] An additional $3.825 million is being held in reserve for Springfield in accordance with Congressional advice.

[2] Withdrew from the demonstration program—project is being advanced with regular Federal-aid highway funds.

The recommended appropriation of $23,500,000 is to be distributed as follows:

Location	*Recommended in the bill*
Lincoln, NE	$4,000,000
Augusta, GA	4,000,000
Brownsville, TX	1,500,000
Lafayette, IN	7,000,000
Springfield, IL	7,000,000

Because of the limited funds available for these demonstration projects in relation to their total estimated cost, the Committee directs the Federal Highway Administration not to obligate any funds for right-of-way acquisition until a viable financing plan for construction of the project has been developed, unless specifically directed herein or in other Committee reports. The Committee recognizes that this requirement could necessitate adjustments to the above allocations. The Committee expects these adjustments, if required, to be accomplished through the normal reprogramming process.

The Committee also directs the Federal Highway Administration to implement the guidance included in the House Report 99-142 under the heading "Federal Highway Administration, Railroad-Highway Crossings Demonstration Projects", upon final approval of the requisite construction and right-of-way acquisition plans. In accordance with this guidance and upon the approval of the final construction and right-of-way plan, funds previously appropriated for this project shall be released immediately for the purpose of right-of-way acquisition and staged construction.

FEDERAL-AID HIGHWAYS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

Appropriation adjusted, 1986	($13,836,000,000)
Budget estimate, 1987	(13,036,000,000)
Recommended, 1987	(13,036,000,000)
Comparison:	
Appropriation adjusted, 1986	(−800,000,000)
Budget estimate, 1987	

The Committee recommends a liquidating cash appropriation of $13,036,000,000 for the federal-aid highways program. This is the same as the budget request and $800,000,000 less than the enacted fiscal year 1986 appropriation.

An estimated $3,900,000,000 of the recommended liquidating cash appropriation is to continue the construction of the interstate highway system. The balance of the funds is primarily for payments to the states for interstate 4R, interstate substitutions, rural and urban transportation programs, safety construction programs, bridge replacement and rehabilitation, certain planning and research programs, emergency relief, and the administrative costs of the Federal Highway Administration as discussed under the limitation on general operating expenses.

FEDERAL-AID HIGHWAY PROGRAMS

The federal-aid highway program, a federally-assisted state-administered program, operates through the distribution of federal funds to the states to construct and improve urban and rural roads and highways. Federal assistance is provided to various separately funded programs that together comprise the federal-aid highway program. The largest portion of federal assistance for highways is distributed to the states for the construction, reconstruction, and improvement of roads on the federal-aid systems. These funds are made available through the following system-related programs:

Interstate Construction.—The designation of a 40,000-mile interstate system was authorized by Congress in 1944 to serve the needs of national defense, to link the nation's largest cities, and to connect with key Canadian and Mexican highways at suitable border points. Since 1944, the system has gradually been expanded, now encompassing 42,500 miles of designated routes.

From December 31, 1984, to December 31, 1985, an additional 159 miles of the interstate system were opened to traffic. This brings the total number of miles opened to traffic to 41,297 as of December 31, 1985, or 97.2 percent of the total 42,500-mile system. In addition, another 1,095 miles were under construction, right-of-way acquisition, or preliminary engineering as of December 31, 1985, making a total of roughly 42,391 miles on which work was either completed or underway.

Interstate 4R.—The Federal-Aid Highway Act of 1976 first established the resurfacing, restoration, and rehabilitation (3R) program as a means to preserve the approximately $100,000,000,000 investment in the interstate system. The Federal-Aid Highway Act of 1981 provided for enhanced emphasis on preservation with a significant increase in authorized funding levels and added a fourth "R", reconstruction, as an eligible type of work.

Interstate Substitution.—The interstate substitution program originated with the Federal-Aid Highway Act of 1973. Under the provisions of that Act and later amendments, until September 30, 1983, uncompleted interstate routes that were not essential for completion of a unified, connected system could be withdrawn from the system under certain conditions. Funds equivalent to the cost of the withdrawn segment then are authorized to become available to construct substitute highway and/or mass transit projects in the area from which the route was withdrawn. Some 343 miles in 20 states and the District of Columbia have been withdrawn. All interstate substitution projects must be underway by September 30, 1986, if sufficient federal funds have been made available.

Primary Program.—The original federal-aid highway system program, established in the 1916 and 1921 Highway Acts, was the predecessor of the present federal-aid primary system program. The primary system, a network of connected, rural arterial routes and their extensions into or through urban areas, includes those roads that are the most important to interstate, regional and statewide travel. The slightly more than 257,000 miles of primary routes are owned and maintained by the states in most cases or by local units of government. Although federal-aid funds may be used for all types of highway construction projects on the federal-aid primary system, at least 40 percent of federal-aid primary funds must be spent on 4R projects.

Secondary and Urban Programs.—The Federal-Aid Highway Act of 1944 established the system of federal-aid secondary roads as well as a specific category for extensions of the primary and secondary systems into urban areas. In 1970, a separate federal-aid urban system was established as a network of supplemental roads to serve local transportation needs. The secondary system, currently totaling about 400,000 miles, consists of many routes that are locally owned and maintained, as well as minor state routes. The urban system consists of about 129,000 miles of urban arterials and collectors.

In the regular federal-aid primary, secondary, and urban programs, an additional 24,768 miles were improved during the period from April 30, 1985, to April 30, 1986. As of April 30, 1986, projects involving more than 395,000 miles had been completed at a cost of $86,400,000,000. Contracts involving an additional 22,464 miles were authorized or underway. At least 40 percent of federal-aid secondary funds and of federal-aid urban funds must be spent on 4R projects.

Bridge Replacement and Rehabilitation Program.—This program provides for major rehabilitation as well as replacement of deficient bridges on any public road. A minimum of 15 percent up to a maximum of 35 percent must be spent on bridges off the federal-aid system. During fiscal year 1985, the states obligated $1,750,000,000 of federal highway bridge replacement and rehabilitation program funds for 3,150 bridges. In addition, $708,000,000 in other federal-aid funds were spent in 1985 for the replacement or rehabilitation of bridges.

Highway Construction Safety Programs.—Two highway construction programs are authorized to make physical safety improvements to roads and streets—the hazard elimination program and the rail-highway crossings program. The hazard elimination program is aimed at correcting high hazard locations; eliminating roadside obstacles that are hazardous to motorists or pedestrians; improving signing and pavement marking; and installing traffic control or warning devices at high or potentially high accident locations. Section 203 of the Federal-Aid Highway Act of 1973 established the railroad-highway crossings program to reduce or eliminate potential or existing conflicts between trains and highway vehicles.

Emergency Relief Program.—Emergency funds are available through this program to repair roads and bridges damaged by natural disasters or catastrophic failures from external causes. Eligible facilities must be on the federal-aid highway system, including the interstate system, or federal roads. Normally each state is limited to receiving a maximum of $30,000,000 per disaster. The funding source is the highway trust fund and the federal share is 100 percent.

HIGHWAY TRUST FUND FINANCING MECHANISM

The highway trust fund was originally established in the U.S. Treasury in accordance with provisions of the Highway Revenue Act of 1957, as amended (23 U.S.C. 12 note). It was extended by the Surface Transportation Assistance Act of 1982 and modified by the Deficit Reduction Act of 1984 (Public Law 98-369). Amounts equivalent to taxes on gasoline, diesel fuel, special motor fuels, tires, tubes, tread rubber, commercial motor vehicles, truck use, lubricating oil, and parts and accessories for trucks, buses, etc., are designated by the Act to be appropriated and transferred from the general fund of the Treasury to the trust fund. These transfers are made at least monthly on the basis of estimates by the Secretary of the Treasury, subject to adjustments in later transfers based on the amount of actual tax receipts. Amounts available in the fund in excess of outlay requirements are invested in public debt securities and interest thereon is credited to the fund. There are also credited to the fund repayable advances from the general fund, as authorized and made available by law, to meet outlay requirements in excess of available revenues during a portion of a fiscal year, if necessary.

The termination date of the fund was extended to September 30, 1988, as a result of the Surface Transportation Assistance Act (STAA) of 1982. The 1982 STAA also established a mass transit account within the trust fund to be funded by one-ninth of the excise tax collections under sections 4041 and 4081 of the Internal Revenue Code (26 U.S.C.) imposed after March 31, 1983. The funds from this account are used for expenditures in accordance with section 21(a)(2) of the Urban Mass Transportation Act of 1964, as amended. The remaining excise taxes collected are included in a highway account within the trust fund.

Amounts required for outlays to carry out the federal-aid highway program are appropriated to the Federal Highway Administration. Other charges to the trust fund are made by the Secretary of the Treasury for transfers of certain taxes to the land and water conservation fund and to the aquatic resources trust fund, for refunds of certain taxes, repayments of advances from the general fund, and for the interest on advances.

The amendments to the Internal Revenue Code in the 1982 STAA related to the highway trust fund require that before an apportionment is made, the Secretary of the Treasury must determine that adequate revenues will be available to meet these expenditures within 24 months after the close of the fiscal year for which the apportionment is made.

HIGHWAY TRUST FUND BALANCE

Under the provisions and assumptions in the accompanying bill, the Committee estimates that fiscal year 1987 outlays attributable to the highway account of the trust fund will be about $14,096,200,000. This compares to estimated total fiscal year 1987 income credited to the highway account of approximately $12,053,100,000, based on current law. The $2,043,100,000 difference will serve to reduce the estimated $9,141,100,000 balance in the highway account (FY 1986 EOY) by about 12.4 percent.

The Committee notes that the obligation levels contained in the bill for federal-aid highways and highway traffic safety grants of approximately $14,100,000,000 are in accordance with the Congressional Budget Office's March 1986 estimate that trust fund revenues could support annual highway obligations of $14,100,000,000 per year over the 1987 to 1991 period. The CBO's conclusion is based on trust fund revenue estimates that assume an average cost to oil refiners of $23 per barrel in 1987. The Committee notes that the risks in making accurate forecasts of oil prices are significant and that actual trust fund revenues in 1987 and beyond may vary greatly if oil prices continue to fluctuate.

LIMITATION ON OBLIGATIONS

The accompanying bill includes language limiting fiscal year 1987 federal-aid highway obligations to $13,125,000,000. This is $705,000,000 above the budget request. In addition, an estimated $811,200,000 would be obligated for federal-aid highway programs exempted from the obligation limitation in the bill. This compares with proposed exemptions in the budget request of $350,000,000. The exemptions recommended in the bill are consistent with the exemptions provided under current law.

The net effect of the obligation limitation and exemptions recommended in the bill is to provide 95.4 percent of the estimated authorized level for federal-aid highway programs in fiscal year 1987. As can be seen by the table below, the Committee notes that the obligation limitation recommended in the bill will allow higher obligation levels than the assumed fiscal year 1987 authorized amounts in some programs. Although the table reflects an estimated distribution of obligations by program category, the bill includes a limitation only on the total federal-aid highways spending level.

FEDERAL-AID HIGHWAY PROGRAM

[In thousands]

Programs	Fiscal year 1986 obligations [1]	Assumed fiscal year 1987 authorization [2]	Fiscal year 1987 estimated obligations
Subject to limitation:			
Interstate construction	$3,850,000	$3,828,000	$3,700,000
Interstate 4R	2,385,000	2,975,000	2,479,000
Interstate substitutions	620,000	694,000	620,000
Primary	2,075,000	2,427,000	2,100,000
Secondary	575,000	622,000	575,000
Urban	750,000	766,000	750,000
Bridge replacement	1,771,000	1,900,000	1,778,000
Safety	350,000	373,000	350,000
Federal lands	275,000	287,000	287,000
Other programs	289,000	0	287,000
Administration	185,000	0	199,000
Total, programs subject to limitation	13,125,000	13,872,000	13,125,000
Exempt from limitation:			
Emergency relief	160,000	96,000	100,000
On-going emergency project	1,000	0	4,200
Union Station	1,000	0	7,000
Wilson Bridge	15,000	0	0
Gap closing demonstration	63,000	0	0
Usable segments	24,000	24,000	0
85 percent minimum allocation	883,000	618,000	700,000
Bridges over dams	0	0	0
Alaska highway	8,000	0	0
Total, programs exempt from limitation	1,155,000	738,000	811,200
Total, federal-aid highway program	14,280,000	14,610,000	13,936,200

[1] Obligations estimated as of July 1, 1986.

[2] For budget planning purposes, the Committee has assumed that federal-aid highway programs will be reauthorized at the same levels and to the same extent as provided in current law for fiscal year 1986.

A complete list of the federal-aid highway programs under the limitation follows:

Interstate Construction.
Interstate Gap Closing.
Interstate Minimum.
Interstate Discretionary—Construction and 4R.
Interstate 4R.
Rail-Highway Crossing on any Public Road.
Hazard Elimination.
Rural Secondary.
Consolidated Primary.
Urban System.
Highway Planning and Research.
Metropolitan Planning.
Forest Highways—Apportioned and Discretionary.
Discretionary Priority Primary.
Franconia Notch.
Economic Growth Center Development Highways.
Public Lands Highways.
Urban High Density.
Special Urban High Density.
Access Control Demonstration.
Acosta Bridge.
Special Bridge Replacement.
Highway Bridge Replacement and Rehabilitation—Apportioned, Discretionary, and Talmadge Bridge.
Publicly owned Facilities, Md I-270.
Integrated Motorist Information System Demonstration.

Bypass Highway Demonstration Project.
National Scenic and Recreational Highway.
Administration and Research.
Urgent Supplemental Bridges.
Interstate Transfer—Apportioned and Discretionary.
Indian Reservation Roads.
Parkways and Park Highways.
Los Angeles Freight Transportation Demonstration.
Buhne Point Shoreline Erosion Demonstration.
East Baton Rouge Interchange Congestion Demonstration.
Louisville Primary Connector Acceleration Demonstration.
Vermont Certification Demonstration.
Devils Lake—Erosion Demonstration.
Bridge Over Intercoastal Waterway Demonstration.
Idaho Truck Safety/Railroad Elimination Demonstration.

The bill includes language requiring that this obligation limitation be administered in accordance with current law or the provisions contained in H.R. 3129 or similar authorizing legislation that may be subsequently enacted. The current law provides for an equitable distribution of the available obligational authority based upon the funds apportioned by legislative or administrative formula and upon funds allocated without a formula. In making such a distribution, it is intended that discretionary and other non-formula fund allocations also be considered in the distribution of obligational authority. If these allocations are unknown at the time obligational authority is initially made available to the states, an estimated fair proportion of obligational authority should be reserved for distribution at the appropriate time.

Under current law, sufficient authority is provided to prevent lapses, funds are to be redistributed after August 1, 1987, and amounts authorized for administrative expenses and the federal lands highway program are not to be distributed.

The Committee believes that there is adequate legislative history with respect to the intention of the Congress in enacting annual ceilings on obligations. The Committee is reiterating, however, the language on pages 25 and 26 of House Report 94-1221 stating that this limitation should not be used by the Secretary as discretionary authority to distort the priorities established in federal highway legislation. The Committee does expect the Secretary to control obligations in accordance with Congressional intent, and directs that the Department of Transportation continue to provide on a monthly basis a timely report on the cumulative amount of obligations by state for each program in the federal-aid highway and highway safety construction program categories. This report should include the amount of unobligated contract authority available to each state for each program, as well as a complete description of any actions taken by the Department of Transportation or the Office of Management and Budget for the purpose of complying with this obligation ceiling.

DISCRETIONARY BRIDGE ALLOCATIONS

The Committee urges that, of the funds available through the discretionary bridge program, priority consideration be given to providing $2,750,000 for preliminary engineering and final design for the County State Aid Highway 18 Bloomington Ferry Bridge in the vicinity of Bloomington, Minnesota. The present bridge is a temporary structure constructed by the Coast Guard in 1978 under a 6-year permit, which was extended to 1989. Flooding of the Minnesota River has closed the bridge for 202 days in the last four years. Growth in the vicinity of the bridge has resulted in serious congestion on the two-lane bridge with its sharply curved approaches. There are no convenient alternate routes and re-routing adds 11 miles to a trip.

The Committee also urges priority consideration be given to providing funds for the repair of the Southside Bridge in Charleston, West Virginia from the fiscal year 1987 discretionary bridge account.

The Oregon Department of Transportation has proposed using a combination of funding sources to replace the Alsea Bay Bridge that would require a federal discretionary bridge program cost-share of only 45 percent. The Committee believes that, in a time of severe budget constraint, such innovative proposals deserve close attention, and the Committee therefore urges the Federal Highway Administration to look favorably on this proposal.

SOUTH FLORIDA HIGHWAY IMPROVEMENTS

The Committee notes two federally-supported highway improvement projects in Dade County, Florida, which are essential to relieving urban congestion and enhancing highway safety: 1) the widening of U.S. 1 (Biscayne Boulevard) in northeast Dade County, which is under construction in several phases, and 2) improvements in the Golden Glades interchange at the junction of Interstate 95, N.E. 167th Street, and the Palmetto Expressway. The Committee recognizes that these vital multi-year projects will, when completed, have public benefits extending years into the future. However, because project construction must take place in two of the most heavily-travelled corridors in South Florida, the potential exists for disruption of normal transportation and living patterns for local residents and travelers alike. The Committee, therefore, directs the Federal Highway Administation to work closely with the Florida Department of Transportation to expedite this construction and develop innovative ways to minimize adverse impacts on local residents, neighborhoods, and the traveling public.

INTERSTATE TRANSFER—HIGHWAYS

Section 103(e)(4) of title 23, United States Code, permits the Secretary of Transportation to approve the withdrawal of certain routes from the interstate system upon the joint request of the state governor and local governments concerned, if the Secretary finds that the routes are not essential to the completion of a unified and connected interstate system and if assurances are received that a toll road will not be constructed in the corridor of the route. Approval of a withdrawal request establishes eligibility for federal substitute project funding.

The withdrawal value is based on the federal cost to complete the withdrawn route as shown in the most recently approved interstate cost estimate at the time of the withdrawal approval, up to and including the 1983 interstate cost estimate. This base cost is adjusted according to the provisions of 23 U.S.C. 103(e)(4), as amended by Section 107(c) of the STAA of 1982, to determine the withdrawal value. The total federal cost to complete subsititute highway and transit projects is limited to each area's remaining withdrawal value after deduction of amounts obligated.

Substitution funds may be used for highway and/or transit projects serving the area from which the route was withdrawn (i.e., withdrawal area). Funds may be obligated for eligible substitution projects to the extent they have been allocated or apportioned for the withdrawal area. Withdrawal values are reduced by the amounts obligated on substitute highway and transit projects.

Through March 1986 a total of $8,431,000,000 is estimated to have been obligated for interstate substitution projects. Of this amount, $3,469,000,000 has been provided for substitute highway projects. The estimated remaining value of interstate substitute highway projects by urbanized area is as follows:

ESTIMATED REMAINING VALUE OF INTERSTATE WITHDRAWALS AS OF SEPT. 30, 1986

State	Withdrawal area	Estimated additional funds required to complete substitute highway projects
Arizona	Tucson	$1,106,851
California	Sacramento	0
	San Francisco	19,873,586
Colorado	Denver	41,234,133
Connecticut	Bolton to Killingly	327,378,733
	Hartford-New Britain	330,500,639
District of Columbia	Washington	92,559,271
Georgia	Atlanta	68,853,813
Illinois	Chicago	492,063,961
Indiana	Indianapolis	31,417,529
Iowa	Waterloo	182,409,454
Maryland	Baltimore	413,921,997
	Bowie to Millersville	61,785,157
	Washington	5,517,975
Massachusetts	Boston	61,489,111
	Fall River to Providence	7,583,013
Minnesota	Duluth	9,535,370
	Minneapolis-St. Paul	13,931,951
Nebraska	Omaha	14,146,589
New Jersey	New York City	24,366,505
	New York City to Trenton	163,044,926
	Philadelphia	35,191,536
New York	Albany	1,136,547
	New York City	1,432,122,847
Ohio	Cleveland	80,994,475
Oregon	Portland	66,899,100
	Salem	7,765,690
Pennsylvania	Philadelphia	29,725,640
	Pittsburgh	41,921,731
Rhode Island	Rhode Island	428,612,866
Tennessee	Memphis	163,968,089
Virginia	Washington	10,271,680
Total		4,661,330,767

Notes: 1. All amounts are federal funds.

2. This table is based on the costs shown in S. Prt. 99–69 adjusted to the reflect the withdrawal of I–478 in New York, lapses, reapportionments, intrastate shifts, fiscal year 1986 apportionments, fiscal year 1986 allocations, and New York obligations under P.L. 99–190.

3. Highway discretionary allocations made in accordance with House Report 99–450 (reduced per Gramm-Rudman-Hollings). Where intrastate distributions are unknown, statewide earmarking has been proportionally distributed to withdrawal areas based on withdrawal values.

4. This table assumes the full obligation of funding already made available.

For fiscal year 1987, $825,000,000 will be made available for interstate transfer-highway projects. This is consistent with H.R. 3129, as ordered reported. Of this amount, 75 percent will be distributed by statutory formula, and 25 percent will be distributed on a discretionary basis. The Committee expects these funds to be allocated as follows:

INTERSTATE TRANSFER—HIGHWAYS

	Formula	Discretionary	Total
Arizona	$144,796		$144,796
California	2,570,126		2,570,126
Colorado	5,339,347	$30,000,000	35,339,347
Connecticut	85,145,995		85,145,995
Georgia	8,910,978		8,910,978
Illinois	63,686,043	64,000,000	127,686,043
Indiana	4,066,350		4,066,350
Iowa	23,607,757		23,607,757
Maryland	62,280,317	29,300,000	91,580,317
Massachusetts	8,941,144		8,941,144
Minnesota	3,040,713	13,000,000	16,040,713
Duluth	(1,236,798)	(8,000,000)	(9,236,798)
Minneapolis, St. Paul	(1,803,915)	(5,000,000)	(6,803,915)
Nebraska	1,834,081		1,834,081
New Jersey	28,814,375	5,000,000	33,814,375
New York	185,501,588		185,501,588
Ohio	10,485,633	26,470,475	36,956,108
Oregon	9,665,123	11,834,877	21,500,000
Pennsylvania	9,272,967	12,700,000	21,972,967
Rhode Island	55,474,911		55,474,911
Tennessee	21,224,659		21,224,659
Virginia	1,327,295	8,800,000	10,127,295
Washington, DC.	11,981,857		11,981,857
Subtotal	603,316,055	201,105,352	804,421,407
Other			20,578,593
Total	603,316,055	201,105,352	825,000,000

RIGHT-OF-WAY REVOLVING FUND

(LIMITATION ON DIRECT LOANS)

(HIGHWAY TRUST FUND)

Limitation adjusted, 1986	**($47,850,000)**
Budget estimate, 1987	**(50,000,000)**
Recommended, 1987	**(47,850,000)**
Comparison:	
Limitation adjusted, 1986	
Budget estimate, 1987	**(−2,150,000)**

The Federal-Aid Highway Act of 1968 authorized $300,000,000 for the establishment of a right-of-way revolving fund. This fund is used to make interest free cash advances to the states for the purpose of purchasing right-of-way parcels in advance of highway construction and thereby preventing the inflation of land prices from causing a significant increase in construction costs.

The initial legislation for this program required the states to construct the highway and reimburse the revolving fund within seven

years from the date of the advance. This provision was necessary to assure that the fund would be replenished and allow advances to be made to other states requiring right-of-way acquisition. Since the 1968 Act, the 1973 Highway Act extended the required time limit for construction to ten years and the 1976 Highway Act extended the time limit indefinitely, if deemed necessary by the Secretary.

When right-of-way acquisition has been made and highway construction is initiated, the state becomes eligible for federal grants under the various federal-aid highway programs. At the point when progress payments are made to the state for construction, the state in turn reimburses the revolving fund for advances made to the state for right-of-way acquisition. Using this method of funding, all reimbursements made to the revolving fund may be reallocated to other states requiring advances.

Repayments to the right-of-way revolving fund for fiscal years 1986 and 1987 are anticipated to offset obligations resulting in net obligations of zero in both years. Program activity is not expected to exceed an obligation level equivalent to the obligation limitation of $47,850,000 in fiscal years 1986 and 1987. Because cash repayments of the right-of-way revolving fund are anticipated to be equal to outlays, a liquidating cash appropriation is not required for fiscal year 1987.

MOTOR CARRIER SAFETY

Appropriation adjusted, 1986	$13,302,000
Budget estimate, 1987	19,515,000
Recommended, 1987	20,447,000
Comparison:	
Appropriation adjusted, 1986	+7,145,000
Budget estimate, 1987	+932,000

This appropriation provides for the development and execution of motor carrier safety policies and programs in accordance with the Department of Transportation Act, the Interstate Commerce Act, and the Explosives and Dangerous Articles Act. These programs involve federal safety inspection and law enforcement authority over the highway operations of commercial interstate carriers.

The bill includes an appropriation of $20,447,000 for the bureau of motor carrier safety. This is an increase of $932,000 over the budget request. The Committee has disapproved the request to transfer bureau of motor carrier safety funding from the general fund to the highway trust fund. The $932,000 increase is comprised of a restoration of $1,532,000 for the bureau of motor carrier safety contribution to general operating expenses, offset by a decrease from the budget request for motor carrier safety contract research.

The Committee has approved the requested 60 new safety specialist positions for the bureau of motor carrier safety, which would increase staffing to 433 full-time permanent positions and 421 full-time equivalent positions. The additional 60 safety specialist positions, along with the 90 additional safety specialist positions approved during fiscal year 1986, are to support the agency's efforts to develop a more effective program for monitoring motor carriers and enforcing its safety regulations.

The recommended appropriation is distributed as follows:

Motor carrier safety operations.—The Committee recommends $17,615,000 for this activity, which is comprised principally of personnel and other related costs of field safety investigations and the bureau's regulatory and rulemaking functions.

Motor carrier safety contract research.—The sum of $1,300,000, a decrease of $600,000 from the budget estimate is recommended for contract research based on slippages and the availability of carryover funds. Slippages in contract research resulted in a $1,120,000 carryover into fiscal year 1986. This research is designed to support federal motor carrier safety regulations and to improve the safety of operations of commercial motor vehicles and drivers.

Administrative support.—The bill includes $1,532,000 for administrative support functions of the bureau of motor carrier safety, a restoration of the bureau's contribution to general operating expenses. This is the same as the fiscal year 1986 level.

MOTOR CARRIER SAFETY GRANTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

Appropriation adjusted, 1986	(1)
Budget estimate, 1987	
Recommended, 1987	($18,000,000)
Comparison:	
Appropriation adjusted, 1986	(+18,000,000)
Budget estimate, 1987	(+18,000,000)

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[1] Funded as a direct appropriation out of the general fund.

The motor carrier safety grant program is intended to assist states in developing or implementing national programs for the uniform enforcement of federal and state rules and regulations concerning motor carrier safety. The major objective of this program is to reduce the number and severity of hazardous materials accidents involving commercial motor vehicles. Grants are made to qualified states for the development of programs to enforce the federal motor carrier safety regulations. The basic program is targeted at roadside vehicle safety inspections of both interstate and intrastate commercial motor vehicle traffic, as well as roadside inspections of motor carriers hauling hazardous materials.

The Committee assumes enactment of authorizing legislation to provide contract authority for a motor carrier safety grants program. This would necessitate a liquidating cash appropriation, which the Committee has estimated to be $18,000,000.

LIMITATION ON OBLIGATIONS

The Committee is recommending a $50,000,000 limitation on obligations for motor carrier safety grants. This is consistent with the assumption in the budget that this program will be financed with contract authority in fiscal year 1987.

BALTIMORE-WASHINGTON PARKWAY

(HIGHWAY TRUST FUND)

Appropriation adjusted, 1986	$2,871,000
Budget estimate, 1987	
Recommended, 1987	9,000,000
Comparison:	
Appropriation adjusted, 1986	+6,129,000
Budget estimate, 1987	+9,000,000

An appropriation of $9,000,000 is recommended in the bill for reconstruction of the Baltimore-Washington Parkway as authorized by the Federal-Aid Highway Act of 1970.

AIRPORT-HIGHWAY DEMONSTRATION PROJECT

	Appropriation	*By transfer*
Appropriation adjusted, 1986		($1,350,000)
Budget estimate, 1987		
Recommended, 1987	$1,887,000	
Comparison:		
Appropriation adjusted, 1986	+1,887,000	(−1,350,000)
Budget estimate, 1987	+1,887,000	

The Committee recommends an appropriation of $1,887,000 to complete a demonstration project to depress a highway and extend an airport runway in Shawnee, Oklahoma. The Committee directs the Secretary to expedite action on administering this project, including permitting the Federal Aviation Administration to enter into an agreement with the Federal Highway Administration on a non-reimbursable basis to administer the project.

EXPRESSWAY GAP CLOSING PROJECT

Appropriation adjusted, 1986	$8,613,000
Budget estimate, 1987	
Recommended, 1987	13,900,000
Comparison:	
Appropriations adjusted, 1986	+5,287,000
Budget estimate, 1987	+13,900,000

The Committee recommends an appropriation of $13,900,000 to complete the funding required for a highway construction project to close an expressway gap on California Route 113 between the cities of Davis and Woodland, and including the Gibson Road interchange and the Gum Avenue overcrossing. These funds are to be provided at full federal expense and shall be exempt from any obligation limitation on federal-aid highways.

INTERMODAL URBAN DEMONSTRATION PROJECT

(HIGHWAY TRUST FUND)

Appropriation adjusted, 1986	
Budget estimate, 1987	
Recommended, 1987	$11,000,000
Comparison:	
Appropriation adjusted, 1986	+11,000,000
Budget estimate, 1987	+11,000,000

Section 124 of the Federal-Aid Highway Amendments of 1974 authorizes a demonstration project for the construction of a high density urban intermodal transportation connection between Franklin Avenue and 59th Street, South, in Minneapolis, Minnesota. This route provides the connecting link between the central business district and the Minneapolis-St. Paul International Airport.

Funds for preliminary engineering and design were appropriated in fiscal years 1978 and 1985, respectively. The Committee is recommending $11,000,000 for this project.

HIGHWAY SAFETY AND ECONOMIC DEVELOPMENT DEMONSTRATION PROJECTS

(HIGHWAY TRUST FUND)

Appropriation adjusted, 1986	
Budget estimate, 1987	
Recommended, 1987	$10,000,000
Comparison:	
Appropriation adjusted, 1986	+10,000,000
Budget estimate, 1987	+10,000,000

The bill provides a permanent authorization and the appropriation of $10,000,000 to carry out highway projects in the State of Mississippi that demonstrate the safety and economic benefits of widening and improving highways. Consistent with past policy for demonstration projects, these projects shall be funded at full federal expense. The projects authorized are Route 302 to connect I-55 and U.S. Highway 72; State Route 6 from Pontotoc to Oxford; U.S. Highway 82 from I-55 to Starkville; and U.S. Highway 72 from Corinth, Mississippi, to the Tennessee state line.

AIRPORT ACCESS DEMONSTRATION PROJECT

(HIGHWAY TRUST FUND)

Appropriation adjusted, 1986	
Budget estimate, 1987	
Recommended, 1987	$4,000,000
Comparison:	
Appropriation adjusted, 1986	+4,000,000
Budget estimate, 1987	+4,000,000

The bill includes language appropriating $4,000,000 for a highway project in the vicinity of the Ontario International Airport in San Bernardino County, California, for the purpose of demonstrating methods of improving highway access to an airport that is projected to incur a substantial increase in air service. Consistent with past policy on demonstration projects, this project shall be funded at full federal expense.

HIGHWAY SAFETY IMPROVEMENTS DEMONSTRATION PROJECT

(HIGHWAY TRUST FUND)

Appropriation adjusted, 1986	
Budget estimate, 1987	
Recommended, 1987	$7,000,000
Comparison:	
Appropriation adjusted, 1986	+7,000,000

Budget estimate, 1987	+7,000,000

The bill provides a permanent authorization of $32,000,000 and appropriates $7,000,000 for a coordinated project of highway improvements in the vicinity of Pontiac and East Lansing, Michigan. Consistent with past policy for demonstration projects, this project shall be funded at full federal expense. The $7,000,000 appropriated this year shall be expended on an improvement of Walton Boulevard in Pontiac, Michigan and adjoining roads.

HIGHWAY-RAILROAD GRADE CROSSING SAFETY DEMONSTRATION PROJECT

(HIGHWAY TRUST FUND)

Appropriation adjusted, 1986	....
Budget estimate, 1987	....
Recommended, 1987	$3,000,000
Comparison:	
Appropriation adjusted, 1986	+3,000,000
Budget estimate, 1987	+3,000,000

The bill includes a permanent authorization of $50,000,000 and appropriates $3,000,000 for a coordinated project to separate six highway-railroad grade crossings in Mineola, New York. These crossings are among the most dangerous in New York State, with the Herricks Road crossing rated by the National Transportation Safety Board as the most hazardous in the nation. The Committee directs that the Federal Highway Administration make available funds for right-of-way acquisition or construction contingent on the submission by the State of New York of a viable financial plan that provides for full funding of the depressed highway-railroad grade crossing elimination plan as outlined in the design report/DEIS prepared for the New York State Department of Transportation. This financing plan should also include a commitment from the state for the full expenditure of the $70,000,000 identified in the "1983 Rebuilding New York Memorandum of Understanding". The Committee further directs that none of the funds under this head shall be used for capacity improvements on mass transit facilities. In the preparation of the financial plan, the state, Long Island Railroad, and local officials are encouraged to cooperate to minimize the cost of the project and to develop a proper cost sharing agreement for any costs that may exceed the sum of the current state and federal appropriations and authorizations. The initial $3,000,000 provided in the bill is to be used for requisite design and engineering plans.

NUCLEAR WASTE TRANSPORTATION SAFETY DEMONSTRATION PROJECT

(HIGHWAY TRUST FUND)

Appropriation adjusted, 1986	....
Budget estimate, 1987	....
Recommended, 1987	$4,000,000
Comparison:	
Appropriation adjusted, 1986	+4,000,000
Budget estimate, 1987	+4,000,000

The bill contains an appropriation of $4,000,000 to commence design work and purchase right-of-way for a project to construct a safer highway for the transportation of low-level nuclear waste from the Los Alamos National Laboratory in New Mexico. Los Alamos is one of the nation's foremost nuclear weapons and energy research facilities, and requires an average of 4,500 supply shipments each year, approximately 80 percent of which involve hazardous materials. New Mexico State Route 4 and U.S. 84–285 provide the only employee and shipping access to the laboratory. Access to the interstate system and the waste disposal site in southern New Mexico is possible only by traveling through precipitous mountain terrain as well as congested urban areas of Santa Fe. Parts of this route are old and unimproved and deficient in design. A new road is required to avoid urban areas and provide a more direct and safer connection to the interstate. This project should demonstrate both inclusion of specific safety features and the utility of using a relief road to improve safety of transporting nuclear waste and other hazardous materials. Consistent with past funding policy, the federal share of funds for this project shall be 100 percent.

Theodore Roosevelt Bridge Capacity Improvements

(Highway Trust Fund)

Appropriation adjusted, 1986	
Budget estimate, 1987	
Recommended, 1987	$1,500,000
Comparison:	
Appropriation adjusted, 1986	+1,500,000
Budget estimate, 1987	+1,500,000

The bill includes an appropriation of $1,500,000 to improve the safety, capacity, and operation of inbound lanes on the Theodore Roosevelt Bridge connecting the Commonwealth of Virginia and the District of Columbia. The funds shall be used to implement alternative 4 of the "Feasibility Study of Measures to Improve the Safety, Capacity and Operation of the Theodore Roosevelt Bridge" prepared by the Federal Highway Administration in March 1986.

Airport Access Highway Demonstration Project

(Highway Trust Fund)

Appropriation adjusted, 1986	
Budget estimate, 1987	
Recommended, 1987	$5,000,000
Comparison:	
Appropriation adjusted, 1986	+5,000,000
Budget estimate, 1987	+5,000,000

The bill includes an appropriation of $5,000,000 for a highway project in the vicinity of the New Orleans International Airport in Jefferson Parish, Louisiana, for the purpose of demonstrating methods of improving highway access to an airport which is experiencing substantial commuter congestion and which is engaged in extending it's main east-west runway. Consistent with past policy on demonstration projects, this project shall be funded at full federal expense.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

The National Highway Traffic Safety Administration (NHTSA) was established as a separate organizational entity in the Department of Transportation in March 1970. It succeeded the National Highway Safety Bureau, which had previously administered traffic and highway safety functions as an organizational unit of the Federal Highway Administration.

NHTSA's programs currently are authorized under three major laws: (1) the National Traffic and Motor Vehicle Safety Act; (2) chapter 4 of title 23, United States Code; and (3) the Motor Vehicle Information and Cost-Savings Act (MVICS). The first law provides for the establishment and enforcement of safety standards for vehicles and associated equipment and the effectuation of supporting research, including the acquisition of required testing facilities and the operation of the National Driver Register (NDR). Discrete authorizations were subsequently established for the NDR under the National Driver Register Act of 1982.

The second law, chapter 4 of title 23, United States Code, provides for coordinated national highway safety grant programs to be carried out with the states (section 402) together with supporting highway safety research, development, demonstration (section 403) and highway safety education and information (section 209) programs. An amendment to this law, enacted in October 1982, authorized a program of alcohol safety incentive grants to the states (section 408) to reduce traffic safety problems resulting from persons driving while under the influence of alcohol.

The third law (MVICS) provides for the establishment of low-speed collision bumper standards, consumer information activities, diagnostic inspection demonstration projects, and odometer regulations. An amendment to this law established the Secretary's responsibility, which was delegated to NHTSA, for the administration of mandatory automotive fuel economy standards.

SUMMARY OF FISCAL YEAR 1987 PROGRAM

The Committee recommends a total program level of $233,810,000 for NHTSA programs and activities in fiscal year 1987. This is $17,230,000 more than the spending levels proposed in the President's budget but $5,308,000 less than the fiscal year 1986 program level.

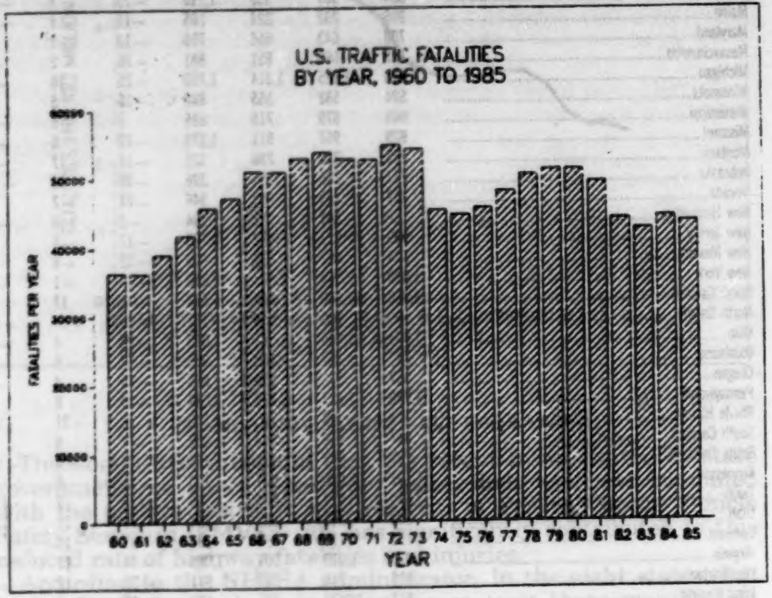
The following table summarizes the fiscal year 1986 adjusted program level, the fiscal year 1987 program request, and the Committee recommendation:

	Fiscal year 1986 adjusted program level	Fiscal year 1987 program request	Recommended in the bill
Operations and research	[1] $85,746,000	$83,930,000	$93,600,000
Highway traffic safety grants	[2] 153,372,000	[2] 132,650,000	[2] 140,210,000
Total	$239,118,000	$216,580,000	233,810,000

[1] Includes $5,500,000 derived by transfer.
[2] Includes $4,750,000 cumulative obligation limitation.

TRAFFIC SAFETY TRENDS

In 1985, the nation experienced a 2 percent decrease in the number of highway fatalities compared to 1984. NHTSA's latest calculations show that 43,500 persons died on the highways in 1985, more than 10,900 fewer fatalities than in the peak year of 1972. The following chart and table depict national traffic fatality levels since 1960 and state-by-state fatality levels for 1980, 1983, 1984 and 1985.



U.S. TRAFFIC FATALITIES BY YEAR, 1960 TO 1985

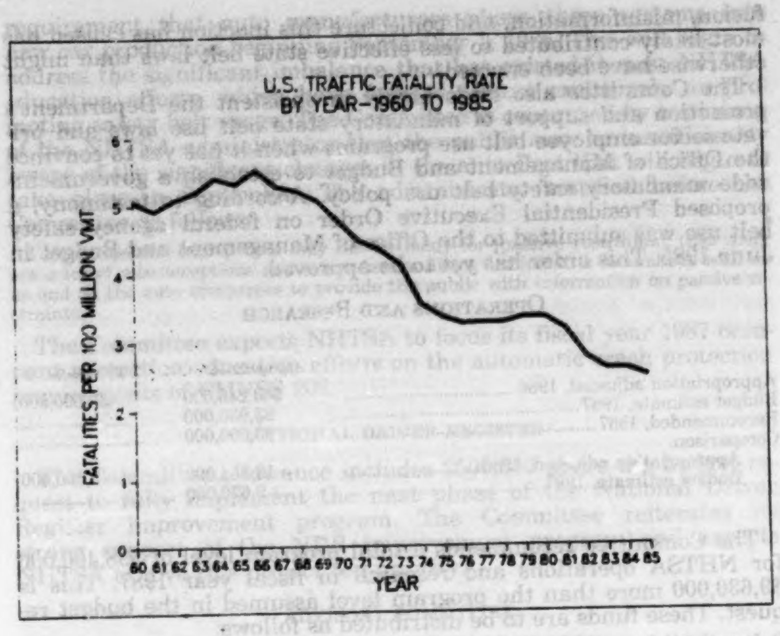
FATALITIES BY STATE

State	1985	1984	1983	1980	Percent change		
					1980–83	1983–84	1984–85
Alabama	858	931	930	940	−1	0	−8
Alaska	123	134	150	88	70	−11	−8
Arizona	891	869	675	947	−29	29	3
Arkansas	533	524	557	588	−5	−6	2
California	4,963	5,020	4,573	5,496	−17	10	−1
Colorado	577	608	646	709	−9	−6	−5
Connecticut	450	469	438	575	−24	7	−4
Delaware	104	130	110	153	−28	18	−20
District of Columbia	61	64	66	41	61	−3	−5
Florida	2,860	2,810	2,686	2,825	−5	5	2
Georgia	1,360	1,409	1,296	1,508	−14	9	−3
Hawaii	126	138	141	186	−24	−2	−9
Idaho	255	242	263	331	−21	−8	5

FATALITIES BY STATE—Continued

State	1985	1984	1983	1980	Percent change		
					1980-83	1983-84	1984-85
Illinois	1,524	1,546	1,526	1,975	−23	1	−1
Indiana	977	925	1,016	1,166	−13	−9	6
Iowa	490	420	514	626	−18	−18	17
Kansas	484	510	411	595	−31	24	−5
Kentucky	710	754	778	820	−5	−3	−6
Louisiana	854	961	933	1,219	−23	3	−11
Maine	206	232	224	265	−15	4	−11
Maryland	738	643	656	756	−13	−2	15
Massachusetts	722	666	651	881	−26	2	8
Michigan	1,503	1,525	1,314	1,750	−25	16	−1
Minnesota	624	582	555	848	−35	5	7
Mississippi	665	679	715	695	3	−5	−2
Missouri	929	967	911	1,175	−22	6	−4
Montana	223	238	286	325	−12	−17	−6
Nebraska	237	285	255	396	−36	12	−17
Nevada	258	249	253	346	−27	−2	4
New Hampshire	188	191	191	194	−2	0	−2
New Jersey	959	927	932	1,120	−17	−1	3
New Mexico	534	497	531	606	−12	−6	7
New York	1,920	2,054	2,077	2,610	−20	−1	−7
North Carolina	1,469	1,450	1,234	1,503	−18	18	1
North Dakota	90	100	116	151	−23	−14	−10
Ohio	1,604	1,646	1,582	2,033	−22	4	−3
Oklahoma	741	797	848	959	−12	−6	−7
Oregon	557	572	550	646	−15	4	−3
Pennsylvania	1,770	1,727	1,721	2,089	−18	0	2
Rhode Island	108	79	100	129	−22	−21	37
South Carolina	947	916	844	852	−1	9	3
South Dakota	128	143	175	228	−23	−18	−10
Tennessee	1,107	1,095	1,037	1,153	−10	6	1
Texas	3,630	3,912	3,823	4,366	−12	2	−7
Utah	303	315	283	334	−15	11	−4
Vermont	115	114	94	137	−31	21	1
Virginia	973	1,013	901	1,045	−14	12	−4
Washington	739	746	698	971	−28	7	−1
West Virginia	417	438	425	523	−19	3	−5
Wisconsin	744	822	725	972	−25	13	−9
Wyoming	152	157	173	245	−29	−9	−3
U.S. total	43,500	44,241	42,589	51,091	−17	4	−2

Although the total number of fatalities increased in 1984, the downward trend in the motor vehicle fatality rate continued through 1985. According to NHTSA's preliminary data, the death rate for miles traveled declined to a historic low of about 2.50 per 100 million vehicle miles in 1985, as shown in the following table:



MANDATORY SAFETY BELT USE LAWS

The Committee is hopeful that the recent trend started by state governments to enact mandatory safety belt use laws combined with the passive restraint requirements of Federal Motor Vehicle Safety Standard (FMVSS) 208 has significantly contributed to this reduced rate of highway fatalities and injuries.

According to the NHTSA administrator, in the eight states that had safety belt use laws in effect for at least three months last year, there were an estimated 280 fewer fatalities among front seat occupants of passenger vehicles, a 7 percent decrease, compared to the same period in 1984. Usage in most of those states doubled or tripled after the law went into effect.

Mandatory safety belt laws are currently in effect in 23 states—California, Connecticut, Florida, Hawaii, Idaho, Illinois, Iowa, Kansas, Louisiana, Maryland, Massachusetts, Michigan, Missouri, Nebraska, New Jersey, New Mexico, New York, North Carolina, Ohio, Tennessee, Texas, Utah, Washington, and in the District of Columbia. Minnesota's belt law will go into effect on August 1. Oklahoma's belt law goes into effect on February 1, 1987, and the Indiana statute takes effect on July 1, 1987.

These laws vary widely in terms of coverage, fines, exemptions, mitigation provisions, enforcement requirements, and sunset provisions. Some will be more effective than others. The Committee continues to be disappointed by the Department's refusal to provide guidance to the states on whether individual belt laws meet the criteria established for judging compliance with FMVSS 208. The confusion, misinformation, and conjecture this inaction has caused has most likely contributed to less effective state belt laws than might otherwise have been enacted.

The Committee also finds highly inconsistent the Department's promotion and support of mandatory state belt use laws and private sector employee belt use programs when it has yet to convince the Office of Management and Budget to establish a government-wide mandatory safety belt use policy. According to testimony, a proposed Presidential Executive Order on federal agency safety belt use was submitted to the Office of Management and Budget in June 1985. This order has yet to be approved.

OPERATIONS AND RESEARCH

	Appropriation	*By transfer*
Appropriation adjusted, 1986	$80,246,000	($5,500,000)
Budget estimate, 1987	83,930,000	
Recommended, 1987	93,600,000	
Comparison:		
Appropriation adjusted, 1986	+13,354,000	(−5,500,000)
Budget estimate, 1987	+9,670,000	

The Committee recommends a total program level of $98,460,000 for NHTSA operations and research in fiscal year 1987. This is $9,630,000 more than the program level assumed in the budget request. These funds are to be distributed as follows:

Rulemaking	$7,225,000
(O&R positions)	(88)
Enforcement	11,600,000
(O&R positions)	(101)
Highway safety	[1]20,750,000
(O&R positions)	(94)
(402 positions)	(80)
Research and analysis	48,600,000
(O&R positions)	(141)
Office of the administrator	[2]2,625,000
(O&R positions)	(41)
(402 positions)	(7)
General administration	[3]7,660,000
(O&R positions)	(77)
(402 positions)	(11)

[1] Includes $3,651,000 derived from section 402 grant program.
[2] Includes $302,000 derived from section 402 grant program.
[3] Includes $907,000 derived from section 402 grant program.

OCCUPANT PROTECTION INFORMATION PROGRAM

The Committee has reduced the requested $5,000,000 for the occupant protection information program to $2,250,000. The Committee believes sufficient information on the benefits of safety belt usage already exists and is being widely disseminated. Additional information needs can be met by private sources or by existing federal programs.

Of the funds available for the occupant protection information program, the Committee directs that not less than $1,000,000 shall be available only for the preparation and distribution of educational material on passive restraints to coincide with the FMVSS 208 requirement that auto manufacturers phase these systems into new car production beginning September 1, 1986. This will begin to address the significant imbalance that has existed in past NHTSA education efforts, which have focused almost exclusively on promoting safety belt usage. The Committee is concerned by testimony of the NHTSA administrator that the public may be insufficiently aware of the significant changes in the auto fleet that will begin to take place in September. The administrator testified before the Committee as follows:

> I am concerned that people may not be ready for [passive restraints]; that there are a lot of misconceptions and misunderstandings. I think it is incumbent both on us and on the auto companies to provide the public with information on passive restraints.

The Committee expects NHTSA to focus its fiscal year 1987 occupant protection education efforts on the automatic crash protection requirements of FMVSS 208.

NATIONAL DRIVER REGISTER

The Committee allowance includes $500,000 above the budget request to fully implement the next phase of the National Driver Register improvement program. The Committee reiterates its strong support of the NDR improvement program and expects NHTSA to give this project top priority.

ADVISORY COMMITTEE

The bill includes a general provision (section 320) prohibiting the use of funds for the national highway safety advisory committee. The Committee does not believe that this organization is providing NHTSA with any advice that cannot otherwise be obtained at no cost to the taxpayers.

EMERGENCY MEDICAL SERVICES

The Committee allowance also provides $150,000 to implement the recommendations of a NHTSA-convened panel of experts on emergency medical service improvements for Dade County, Florida.

LIGHT TRUCKS AND VANS

Although more than 5,500 occupants of light trucks and vans are killed each year, the Committee is concerned that NHTSA has yet to address the safety of these vehicles on a systematic basis. Light trucks and vans are not required to meet a number of federal safety standards that have long been in existence for passenger cars. The Committee, therefore, directs NHTSA to prepare a report on light trucks and vans that assesses the magnitude and nature of the safety problems associated with these vehicles, the improvements that can be made to enhance their safety, the status of agency research and analyses of these improvements, an estimate of the costs and benefits of these improvements, and a schedule for regulatory action to implement these improvements. Such report should be submitted to the House and Senate Committees on Appropriations no later than April 15, 1987.

CENTER FOR INJURY CONTROL

Included within the research and analysis allocation is $10,000,000 to finance the second year of a 3-year pilot project to implement the recommendations contained in the National Academy of Sciences report *Injury in America*. That report was prepared in response to a directive from the conferees on the fiscal year 1983 supplemental appropriations bill. According to the Academy, injury is "the principal public health problem in America", causing over 140,000 deaths per year. The Academy reported that injuries kill more Americans aged 1 to 34 than all diseases combined and are the leading cause of death up to the age of 44. The Academy also reported that motor vehicle crashes are the leading cause of severe injury and death, accounting for about 30 percent of total injury deaths each year.

The Academy concluded that trauma is not an insoluble problem and that many opportunities exist to better understand and prevent injuries and reduce their effects. In reviewing federal injury-related research programs, the Academy found serious but remediable inadequacies. The primary deficiency identified was "the lack of a single coordinated focus of activity that would give visibility to this important public health issue and permit an organized program of effective action to address the problems".

To address these problems, the Academy recommended the establishment of a Center for Injury Control (CIC) within the Centers for Disease Control. The center was established in fiscal year 1986 and is currently accepting applications to support injury control research and to establish injury control research centers.

These research projects will be designed to: (1) yield results directly applicable to identifying interventions to prevent injury occurrence or minimize disability; (2) apply and evaluate the effects of known interventions on injury morbidity, mortality, disability, and economic losses; or (3) elucidate the etiology and mechanisms of injury.

The Committee believes that this area is a fertile field for significantly reducing deaths and injuries on our nation's highways. The Committee intends to honor its previously stated commitment of funding this center on a 3-year trial basis, after which time an evaluation of its effectiveness will be carried out.

Of the $10,000,000 provided in the bill for this purpose, no more than $2,000,000 shall be transferred directly to the Centers for Disease Control for the operation of the CIC. The remaining funds shall be made available to the CIC to support grants on trauma research. The Committee intends that 50 percent of these grant funds be made in areas of specific interest to NHTSA, whose concurrence shall be required on the award of these grants.

NEW CAR ASSESSMENT PROGRAM

The Committee allowance includes $125,000 above the budget request in the rulemaking allocation to enhance the effectiveness, timeliness, and usefulness of the new car assessment program (NCAP). Specifically, NHTSA is directed to use these funds to retest, in the current year, up to five vehicles that had the highest dummy injury readings in the previous year's NCAP crash tests.

The agency is given discretion to consider selecting such vehicles from the previous two years if necessary. The agency should select for retest the vehicles that had the highest dummy injury readings, based primarily on critical dummy injury measures such as the head injury criterion and chest G's, and vehicle crash behavior (occupant compartment integrity, safety belt system performance, etc.).

Previous NCAP testing (e.g., Ford Tempo, Honda Civic) has shown that manufacturers are capable of quickly modifying their vehicles to improve their performance in NCAP tests. Through this retesting activity, manufacturers will receive additional encouragement to make timely improvements to the crashworthiness and safety performance of their current model vehicles, rather than waiting for a major redesign of those vehicles. The Committee believes that consumers will benefit through improvements that enhance the frontal occupant protection capabilities of current model vehicles that did not perform well in NCAP crash tests.

HEAVY TRUCK ANTILOCK BRAKE RESEARCH

The Committee allowance includes $1,250,000 above the budget request to fund the first year of a 4-year program to examine the reliability and potential safety benefits of antilock brake systems on heavy trucks.

Current data indicate that truck brake systems contribute to a substantial number of heavy truck accidents. Braking systems on heavy trucks necessarily operate over a wider range of conditions than passenger car brakes because of the size of the vehicle they must stop and because brakes designed to efficiently stop an 80,000 pound loaded truck are not nearly as efficient when stopping the same vehicle unloaded. NHTSA research shows that truck brakes that can operate reasonably well in the fully loaded condition have a much greater tendency to lock the wheels in the empty condition and thus become unstable. Locked wheels result in spinout, jackknife or trailer swing. Antilock brake systems are designed to prevent the wheels from locking during braking and to reduce the loss of control that occurs when wheels lock. Antilock brakes can also reduce the stopping distance required by heavy trucks. As larger and larger trucks are operated on more congested high speed roadways, it is important that their braking performance become more compatible with that of cars.

Earlier attempts to equip heavy trucks with antilock systems were flawed by the failure to develop reliable and durable products that could function satisfactorily in the rugged environment typical of most trucking operations. However, with the availability of improved antilock systems in Europe, recent advances in microprocessor technology, and greater acceptance of electronic controls on trucks in the U.S., the Committee believes it is an opportune time to reexamine antilock braking in this country and fully evaluate this technology on heavy air-braked trucks.

The funds appropriated shall be used to adapt available antilock systems to U.S. vehicles, to purchase and equip fleet vehicles with antilock systems, and to closely monitor all the vehicles while they are used in actual fleet service. The Committee understands that antilock systems have achieved good performance results on test tracks and is interested in determining if the technology is now at the stage where it is reliable in fleet service. The NHTSA is encouraged to conduct this project in concert with vehicle and component part manufacturers, vehicle users, and driver organizations.

FMVSS 208 IMPLEMENTATION DATA

The Committee also has included $200,000 in the research and analysis allocation for an analysis of auto manufacturers' methods of meeting the crash protection requirements of FMVSS 208 beginning September 1, 1986. Such study should include:

(1) a breakdown of the models, cost, and number of vehicles that are expected to have automatic safety belts, full front seat air bag systems, or driver-side air bag systems for model year 1987;

(2) a listing of the added cost being charged to consumers for these automatic systems for each model line;

(3) a detailed description of each different automatic belt system being offered by the auto makers; and

(4) the results of a statistically valid consumer survey measuring consumer preferences of all automatic safety belt designs being offered for model year 1987 and the impact of those designs on car sales.

The Committee expects to receive a report of the findings and conclusions of this study no later than March 1, 1987.

ALCOHOL SAFETY PROGRAMS

The Committee is pleased with the growing involvement of the private sector in joining the Federal Government in making efforts to reduce the level of alcohol-related crashes. Of particular note is Project TEAM (Techniques for Effective Alcohol Management for Public Assembly Facilities). This is a joint effort involving NHTSA and several private sector agencies (National Basketball Association; CBS, Inc.; International Association of Auditorium Managers; National Automobile Dealers Association; GEICO Insurance; and the National Safety Council). When a public assembly facility (such as a basketball arena, football stadium, convention center, etc.) joins the TEAM project, its management and staff develop policies and procedures to prevent alcohol/drug abuse and drunk driving by patrons attending its events; participate in training to enable them to carry out these policies and procedures effectively; implement efforts to inform patrons of drunk driving risks; encourage use of safety belts; and work to promote a comprehensive alcohol traffic safety program within the community. These efforts have the potential of becoming the largest private sector initiative ever in terms of interest, support, impact, and expansion in combating drunk and drugged driving.

The Committee has added $2,000,000 above the budget to expand Project TEAM and related efforts. These funds are to be distributed as follows:

Alcohol public information/education	$355,000
Alcohol program management/evaluation	125,000
Alcohol technology development/transfer	125,000
Drug usage study	500,000

Countermeasure improvement/support	565,000
Improvement of state program management	330,000

DATA COLLECTION FEES

The bill includes language permitting NHTSA to assess reasonable fees to cover the costs of collecting, storing, analyzing, and disseminating statistical data used by non-governmental entities. A provision is also included allowing these fees to be credited to the operations and research appropriation. The Committee intends that NHTSA credit these amounts only to the research and analysis account.

Highway Traffic Safety Grants

(Liquidation of Contract Authorization) (Highway Trust Fund)

Appropriation adjusted, 1986	($149,000,000)
Budget estimate, 1987	(118,000,000)
Recommended, 1987	(122,000,000)
Comparison:	
Appropriation adjusted, 1986	(−27,000,000)
Budget estimate, 1987	(+4,000,000)

The Committee recommends $122,000,000 to liquidate contract authorizations for state and community highway safety grants (section 402), school bus driver training grants (section 406), alcohol safety incentive grants (section 408), and safety education and information grants (section 209). This is $4,000,000 above the budget request to cover higher than budgeted section 402 obligations.

STATE AND COMMUNITY HIGHWAY SAFETY FORMULA GRANTS

(LIMITATION ON OBLIGATIONS)

As in past years, the bill includes language limiting the obligations to be incurred under the state and community highway safety formula grant program (section 402). For fiscal year 1987, the Committee recommends a limitation of $121,060,000, which is $11,060,000 more than the budget request. Activities under this program are centered predominantly on efforts to control the drinking driver; increase traffic law enforcement; improve the quality of emergency medical services (principally through additional training of state and local personnel); and improve the collection and analysis of traffic accident data.

The recommended limitation is intended to continue current levels of support for state child restraint usage programs, emergency medical services programs, and alcohol countermeasure programs. Although the decisions on the allocation of these funds rest primarily with the states, the Committee expects NHTSA to encourage states to use their funds according to the following distribution:

Alcohol safety	$40,000,000
Police traffic services	33,000,000
Emergency medical services	8,200,000
Traffic records	17,000,000
Occupant protection	12,000,000
Other grants	6,000,000
Grant administration	4,860,000

Language is included in the bill limiting the funds available for federal grant administration costs to $4,860,000.

The bill also prohibits the use of state and community highway safety grant funds for construction, rehabilitation or remodeling costs, or for office furnishings and fixtures for state, local, or private buildings or structures.

ALCOHOL SAFETY INCENTIVE GRANTS

(LIMITATION ON OBLIGATIONS)

The bill includes language limiting obligations to be incurred under the alcohol safety incentive grant program to $14,400,000 in fiscal year 1987. This is $3,500,000 less than the budget request.

Funding for alcohol safety incentive grants is authorized by the Alcohol Traffic Safety Programs Act of 1982 (P.L. 97-364), which amends chapter 4 of title 23, United States Code, by adding a new section 408. These provisions authorized a 3-year program, beginning in fiscal year 1983, which provides incentive grants to states that implement (by legislation, regulations, or otherwise) effective programs to reduce the drunk driving problem. Whether a state qualifies for a basic grant in any fiscal year will be determined by its compliance with minimum criteria specified in the statute. Any state that complies with the minimum criteria and additional criteria which the Secretary of Transportation issued by regulation shall be eligible for a supplementary grant. A state may also qualify for a special grant if it implements penalties for "driving under the influence." The states may use the funds they receive under this program only for alcohol safety purposes. Projects in other highway safety areas eligible for funding under the regular section 402 program are not eligible for funding under this incentive grant program unless they are related to the alcohol traffic safety program.

The recommended level of funding for fiscal year 1987 is the same as the amount obligated in fiscal year 1986.

SAFETY EDUCATION AND INFORMATION GRANTS

(LIMITATION ON OBLIGATIONS)

The bill includes language limiting cumulative fiscal year 1983, 1984, 1985, 1986 and 1987 obligations to be incurred under the safety education and information program to $4,750,000. This is the same as the fiscal year 1986 level. Funding for this program is authorized by section 209 of the Surface Transportation Assistance Act of 1978, as amended. Section 209 authorizes the Secretary of Transportation to carry out six pilot projects designed through the use of television and radio (and other media) to develop and evaluate techniques, methods, and practices to achieve maximum measurable effectiveness in reducing traffic accidents and deaths.

The Committee believes that past federally planned and funded highway safety media campaigns have not been effective. No evidence has been presented to the Committee that the section 209 media program will be any more effective than those past efforts. The Committee, therefore, intends to freeze obligations for this program at $4,750,000 until the results of the funded pilot programs are assessed and made known to the Committee.

FEDERAL RAILROAD ADMINISTRATION

SUMMARY OF FISCAL YEAR 1987 PROGRAM

The Federal Railroad Administration (FRA) is responsible for planning, developing, and administering programs to achieve safe operating and mechanical practices in the railroad industry. Grants to the National Railroad Passenger Corporation (Amtrak) and other financial assistance programs to rehabilitate and improve the railroad industry's physical plant are also administered by the FRA.

The Committee recommends a total program level of $707,212,000 for the activities of the Federal Railroad Administration for fiscal year 1987. This is $653,560,000 more than the fiscal year 1987 program request, and $1,430,000 less than the amounts provided after sequestration for fiscal year 1986.

The following table summarizes the fiscal year 1986 adjusted program levels, the fiscal year 1987 program request, and the Committee recommendations:

	Fiscal year 1986 adjusted program level	Fiscal year 1987 program request	Recommended in the bill
Office of the administrator	$9,685,000	[1] $16,833,000	[2] $26,750,000
Railroad safety	[3] 28,424,000	[4] 27,238,000	[4] 26,700,000
Railroad research & development	10,144,000	[5] 9,581,000	9,800,000
Rail service assistance	[6] 20,631,000	[7] (6,621,000)	[7] (16,750,000)
Northeast corridor improvement program	11,962,000		16,962,000
Grants to Amtrak	[8] 590,737,000		[9] 613,000,000
Redeemable preference shares	32,059,000		9,000,000
Conrail commuter transition assistance	[10] 5,000,000		5,000,000
Total	708,642,000	53,652,000	707,212,000

[1] Includes $5,875,000 derived by transfer.
[2] Includes $3,500,000 derived by transfer.
[3] Includes $1,854,000 carryover.
[4] Includes $1,000,000 carryover.
[5] Proposed for merger into railroad safety account.
[6] Includes $1,300,000 carryover.
[7] Included in office of the administrator totals.
[8] Includes $28,500,000 derived by transfer.
[9] Includes $11,000,000 derived by transfer.
[10] Derived by transfer.

OFFICE OF THE ADMINISTRATOR

	Appropriation	*By transfer*
Appropriation adjusted, 1986	[1] $29,016,000	
Budget estimate, 1987	10,958,000	($5,875,000)
Recommended, 1987	23,250,000	(3,500,000)
Comparison:		
Appropriation adjusted, 1986	−5,766,000	(+3,500,000)
Budget estimate, 1987	+12,292,000	(−2,375,000)

[1] Includes $19,331,000 appropriated under rail service assistance in fiscal year 1986.

This account combines functions previously carried out under the rail service assistance appropriation with the functions under the office of the administrator appropriation. It provides funds for executive direction and administration, policy support, passenger and freight services salaries and expenses, contractual support, and Washington Union Station rent and maintenance costs.

The Committee recommends a program level of $26,750,000, including $3,500,000 derived by transfer, and 204 positions to continue the office of the administrator and rail service assistance functions. This is $9,917,000 more than the program level proposed in the budget request. These funds are to be distributed as follows:

Office of the administrator, salaries and expenses	$9,350,000
(Positions)	(161)
Rail service assistance, salaries and expenses	2,150,000
(Positions)	(43)
Contractual support	650,000
Washington Union Station	4,600,000
Local rail service assistance grants-in-aid	10,000,000
Total program level	26,750,000
Rail service assistance transfer	−3,500,000
Total appropriation	23,250,000

SALARIES AND EXPENSES

The Committee has provided for an increase of $467,000 over the budget for salaries and expenses to support the office of administrator and rail service assistance functions. Major elements of this increase are the addition of $350,000 to restore eight positions necessary to continue Amtrak and northeast corridor improvement program oversight; an additional $300,000 for unbudgeted standard level user charges; and reductions of $100,000 for part-time staffing, and $200,000 for unfilled rail service assistance "strike force" positions that were built into the budget base.

CONTRACTUAL SUPPORT

The Committee has provided $650,000 for office of the administrator contractual support, which is essentially the same level as provided in fiscal year 1986. Within available funds, the Committee expects the FRA to give priority to continuing labor/management cooperative projects that support professional alcohol and drug abuse counseling for railroad employees.

WASHINGTON UNION STATION

The Union Station Redevelopment Act of 1981 authorized the transfer of Union Station in Washington, D.C. from the Department of the Interior to the Department of Transportation upon the request of the Secretary of Transportation. The transfer of the Union Station lease from Interior to DOT took place on March 7, 1984. With that transfer came responsibilities for paying rent, maintenance, operation, and security charges.

The Committee recommends an appropriation of $4,600,000 to cover Union Station costs in fiscal year 1987. Of this amount, $3,500,000 is contractually required for rent payments to the private owners and for local taxes. The lease provides that the rent and taxes may not exceed this level in any subsequent year. The remaining $1,100,000 will provide for minimal levels of maintenance and security for the existing structure.

The bill includes language prohibiting the acquisition, sale, or transference of Washington Union Station without the approval of the House and Senate Committees on Appropriations.

LOCAL RAIL SERVICE ASSISTANCE PROGRAM

The Committee recommends a total of $10,000,000 for the local rail service assistance program (LRSA) in fiscal year 1987. The budget proposes to terminate this program.

The LRSA program originated in Title IV of the Regional Rail Reorganization Act of 1973. The initial purpose of the program was to provide states in the Northeast and Midwest with a temporary means to retain rail service over about 7,000 miles of light density rail lines that were abandoned in the process of forming Conrail. The LRSA program was amended in 1976, 1978, 1981, and 1986 The program has evolved from one of providing operating subsidies for abandoned lines in the Northeast and Midwest to a national program concentrating on track rehabilitation projects associated with non-abandoned lines.

The local rail service assistance program provides grants to the states based on a rail mileage formula requiring that each state receive at least one percent of the available funds. The formula calculates rail mileage identified on the system diagram maps submitted to the Interstate Commerce Commission. Because track rehabilitation needs and priorities vary so widely among the states, the Committee finds the distribution of these funds based solely on a formula to be inefficient. The bill therefore contains language requiring that $7,500,000 of the $10,000,000 available for LRSA be administered on a discretionary basis in accordance with sections 5(h)(3)(B)(ii) and (C) of the Department of Transportation Act. Similar language has been carried in past appropriation Acts.

The bill also contains language allowing the Secretary to make these discretionary funds available immediately, notwithstanding the limitations contained in subsection 5(h)(3)(B)(ii). In awarding grants under this discretionary fund, the Secretary shall give priority consideration to abandonment and restructuring problems in states undergoing changes in their rail networks that are not fully reflected in the system diagram maps. In addition, the Committee directs that $800,000 of LRSA discretionary funds be reserved for a Detroit and Mackinac Railway project to upgrade trackage in Bay County, Michigan, contingent upon the abandonment of a parallel line along Saginaw Bay. This project is necessary to protect the public safety of citizens in the immediate area.

The Committee has also been made aware of the need for extensive railroad rehabilitation work in Massachusetts, and directs that $1,000,000 in LRSA discretionary funds be made available for this purpose.

The Committee is also concerned that many states have failed to implement projects for which they received LRSA funds several years ago. While there is some justification for a one or two year lag in implementing projects, the Committee notes that $15,100,000 remains unexpended from appropriations made available in fiscal years 1976 through 1981. Therefore, the bill includes language requiring that a state must expend LRSA funds granted through fiscal year 1981 before it can apply for fiscal year 1987 funds, other than for planning purposes. The provision would not apply to states that have not expended funds in this time period due to pending litigation.

LOAN GUARANTEES

The Committee also recommends continuation of a statutory limitation on new loan guarantee commitments under the Emergency Rail Services Act of 1970, as amended, and subsections 211(a) or 211(h) of the Regional Rail Reorganization Act of 1973, as amended.

RAILROAD SAFETY

Appropriation adjusted, 1986	$26,570,000
Budget estimate, 1987	[1] 26,238,000
Recommended, 1987	25,700,000
Comparison:	
Appropriation adjusted, 1986	−870,000
Budget estimate, 1987	−538,000

[1] In addition, $9,581,000 was requested under this account as part of a proposal to merge the railroad safety and railroad research and development accounts. This merger was disapproved by the Committee.

The federal role in the railroad safety program is to protect railroad employees and the public by ensuring the safe operation of passenger and freight trains. The authority to accomplish this role is found in the Federal Railroad Safety Act of 1970, as amended, the Department of Transportation Act, and the Hazardous Materials Transportation Act.

RAIL SAFETY PERFORMANCE

A preliminary analysis of FRA accident/incident data indicates that 1985 may be considered the best year ever in terms of railroad safety. Record lows were achieved in almost every major category where comparisons are historically made to determine accident/incident trends.

—Total rail-related fatalities declined to an 11 year low of 1,033 in 1985. This is a decrease of 17.2 percent from 1984, and a decrease of 37.2 percent from 1978, when the most deaths occurred.

—Employee fatalities dropped from 59 in 1984 to 46 in 1985, representing a decrease of 22.0 percent from 1984, and a decrease of 62.3 percent from 1978, the worst year.

—Rail-highway crossing accidents/incidents resulted in 570 deaths in 1985, down 12.2 percent from 1984, and down 49.9 percent from their peak in 1976.

—The frequency that employees were hurt while at work was 8.6 per 200,000 hours worked in 1985, compared to 9 in 1984. The highest rate recorded was 12.5 in 1979; this rate has improved by 31 percent since 1979.

Train accidents dropped from 3,712 in 1984 to 3,295 in 1985, an improvement of 11.2 percent. By comparison, there were 10,991 accidents in 1978. The number of accidents in 1985 has been cut by 70 percent from the 1978 levels. The frequency of train accidents per million train miles has been reduced by 60 percent during this period.

The FRA has testified that the improved financial condition of the railroad industry prompted by enactment of the Staggers Act is the overriding reason for this marked long-term improvement. Accident statistics, to the extent they are accurate, seem to support this conclusion. The Committee reiterates its view that, similar to DOT's air safety and highway safety programs, a principal goal of the rail safety program must be to remove financial considerations as a variable in a carrier's safety performance, to the maximum extent possible. The FRA should continue to work to instill a management philosophy within the railroad industry that safety shall not be compromised by bottom line considerations.

MERGER OF RAILROAD SAFETY AND RAILROAD R&D ACCOUNTS

The Committee has disapproved the proposed merger of the railroad safety and railroad research and development accounts. The Committee believes both functions deserve the visibility and scrutiny afforded to appropriation line item accounts.

RAIL SAFETY FUNDING

The Committee recommends a total program level of $26,700,000 for railroad safety programs in fiscal year 1987. This is a decrease of $538,000 from the budget request. These funds are to be distributed as follows:

Federal enforcement	$22,050,000
(Positions)	(379)
Automated track inspection program	[1]1,000,000
Safety regulation and program administration	3,650,000
(Positions)	(64)
State grants-in-aid	
Total program level	26,700,000
Carryover	−1,000,000
Total appropriation	+25,700,000

[1] Carryover funds.

FEDERAL ENFORCEMENT

The federal enforcement function provides for the salaries and related expenses for a force of federal safety inspectors located throughout the United States. These inspectors investigate and inspect rail carriers' property and operating practices to determine compliance with federal rail safety rules. They also conduct railroad accident investigations. The Committee recommends $22,050,000 to support a field staff of 325 professional and 54 clerical support positions. This is $314,000 and six positions below the budget request. The Committee intends that the positions supported in this account be distributed as follows:

	Positions
Regional safety directors	8
Training inspectors	4
Motive power and equipment inspectors	100
Track inspectors	88
Operating practices inspectors	54
Signal inspectors	33

	Positions
Hazardous materials inspectors	30
Trainee inspectors	8
Clerical	54
Total, field	379

The Committee's allowance also contains sufficient travel funds to provide for 15 travel days per month per inspector.

The Committee again has deferred without prejudice the request for six additional management positions for this program pending completion of the safety inspector staffing standards study that the Committee has directed be performed by the Office of the Secretary. It is the Committee's view that the Department should base its safety inspector staffing recommendations on quantifiable data, goals, and objectives. The data and methodology contained in this study should assist the Committee in determining whether additional staffing, if needed, should be allocated as management or inspection positions.

GRANTS-IN-AID FOR RAILROAD SAFETY

The Committee approves the budget estimate to eliminate the federal cost-sharing portion of the state inspection program. This program pays for up to 50 percent of the salaries and expenses of state rail safety inspectors. Currently, this program supports 104 state inspectors in 31 states. The FRA projects that if federal funding were discontinued, at least 28 of these 31 states would continue their programs with at least 70 inspectors being retained. If these estimates are correct, the Federal Government would pay an estimated $94,100 per inspector for the added benefit of 34 inspectors based on a total program level of $3,200,000.

Moreover, the average additional cost to the states of discontinuing the current level of federal funding would be $41,000 per state. It is the Committee's view that if this program is not of sufficient value to motivate the states to increase their participation by such a minimal degree, this program is not worth the federal investment.

Also, the FRA administrator has testified that the termination of rail safety grant funding should not have a measurable effect on rail safety.

In terminating funding for the salaries and expenses of state inspectors, the Committee directs the FRA to continue its other ongoing activities of providing training for state inspectors and consolidating state inspector plans into FRA's national inspection plan.

AUTOMATED TRACK INSPECTION

The Committee's recommendation includes $1,000,000, to be derived from carryover funds, to continue operation of the automated track inspection program (ATIP) in fiscal year 1987. This is $200,000 below the program level assumed in the budget request.

Over the past 14 years, approximately $40,000,000 has been spent on the ATIP program, which includes the cost of developing the technology as well as equipping and operating the fleet of vehicles. According to the FRA, this has been a successful program. This

technology has been developed to a point where its reliability has been established and demonstrated to the railroad industry.

The Committee believes the rail industry should now assume the lead in this activity. The fiscal year 1987 funds allocated for ATIP are intended to enable the FRA to meet its high priority and special mission track inspection requirements. The Committee expects operating costs for the ATIP vehicle (T-10) not to exceed $40 per mile.

SAFETY REGULATION AND ADMINISTRATION

The safety regulation and administration program provides for the salaries and related expenses of headquarters safety personnel. Rail safety contractual services are also funded from this account. The Committee recommends a total program level of $3,650,000 for this activity, an increase of $50,000 over fiscal year 1986.

The Committee has disapproved the proposed legislative language authorizing this account to be credited for fees collected in connection with alcohol and drug abuse programs. No supporting information was provided along with this request.

AMTRAK WEATHER ALERT PROTECTION

At the Committee's direction, the Federal Railroad Administration has recently completed a special assessment of the adequacy of weather reporting procedures on the Amtrak route system. The FRA's report to the Committee on the results of this assessment reaches the following conclusions and recommendations:

> In general, adequate warning of weather emergencies is received and the information is used effectively to ensure the safe operation of Amtrak trains. Nonetheless, some railroads could improve their early warning capability by adding Weather Service receivers to increase the amount of Amtrak route trackage covered directly by Weather Service radio alerts. FRA also believes that uniformity both in the type of weather reporting equipment and in the general rules and instructions regarding its use should be established.
>
> The FRA will work directly with Amtrak and the contracting railroads to implement the recommendations contained in this report. FRA recommends that certain contract railroads install additional weather-alert receivers. The cost of these receivers to the railroads is extremely low (less than $50 each), and the receivers would provide alert protection for freight trains as well as Amtrak's. FRA suggests installation of 72 additional receivers on 13 railroads as follows:

ATSF	11	GTW	2
B&M	2	MP	8
BN	1	RF&P	1
CV	1	SOU	4
C&O/B&O	5	SP	23
CR	5	UP	8
D&H	1		

> All railroads follow long-established rules and procedures regarding precautions to be taken after emergency weather information is received. While there is no reason for changing these actions, FRA recommends that uniform detailed instructions describing these actions be established by all the railroads on the Amtrak system. Language adopted by Conrail, quoted on pages 13 and 14 of this report, can serve as a good example.
>
> Separate from this weather-alert study, FRA has initiated a safety review of railroad radio communication used in train operations. Since communication of emergency weather information to train crews is greatly dependent on proper radio com-

munication equipment and practices, FRA will include weather information in the communication inquiry.

The Committee expects the FRA to move expeditiously to ensure that its recommended corrective actions are implemented promptly. The Committee directs the FRA to submit a follow-up report to the House and Senate Committees on Appropriations by no later than November 15, 1986, describing the implementation status of each of its recommendations. The Committee expects the FRA to take any rulemaking or other compliance measures that may be necessary to ensure full and prompt compliance with the recommendations.

AMTRAK EMPLOYEE INJURIES

Although Amtrak had the lowest accident rate of any large railroad in 1985 (2.14 accidents per million train miles), the Committee is concerned by testimony of the FRA administrator that Amtrak ranks "12th out of the 13 large railroads" in employee workplace injury incidents. The Committee believes that additional steps must be taken to improve this record for the benefit of Amtrak's 21,000 employees and 20 million riders. The Committee directs the Federal Railroad Administration to make a special system assessment of Amtrak's employee safety policies, procedures, and practices. The Committee is especially interested to learn if the FRA believes Amtrak has given sufficient managerial attention to this problem and whether all employees in supervisory roles are aware of and give priority to safe operating procedures and practices. The FRA shall submit a report to the House and Senate Committees on Appropriations on the findings and conclusions of this assessment along with recommendations no later than March 1, 1987.

RAILROAD RESEARCH AND DEVELOPMENT

Appropriation adjusted, 1986	$10,144,000
Budget estimate, 1987	[1] 9,581,000
Recommended, 1987	9,800,000
Comparison:	
Appropriation adjusted, 1986	−344,000
Budget estimate, 1987	+219,000

[1] Proposed for merger into railroad safety account.

The railroad research and development appropriation finances contract research activities as well as salaries and expenses necessary for supervisory, management, and administrative functions. The objectives of this program are to reduce the frequency and severity of railroad accidents and to provide technical support for rail safety rulemaking and enforcement activities. The Committee recommends an appropriation of $9,800,000 for fiscal year 1987. This is $219,000 above the budget request.

These funds are distributed as follows:

Equipment, operations, and hazardous materials safety	$2,800,000
Track safety	2,900,000
Track-train safety testing	2,800,000
Administration	1,300,000
(Positions)	(15)

The Committee allowance includes $200,000 above the budget to support development of railroad-community-police grade crossing safety education programs.

NORTHEAST CORRIDOR IMPROVEMENT PROGRAM

Appropriation adjusted, 1986	$11,962,000
Budget estimate, 1987	
Recommended, 1987	16,962,000
Comparison:	
Appropriation adjusted, 1986	+5,000,000
Budget estimate, 1986	+16,962,000

The Committee recommends $16,962,000 to continue work on various northeast corridor improvement projects begun in prior years. This is $7,038,000 below the amount requested by Amtrak. The administration requested no funds for this program. These funds are to be distributed as follows:

Warren Street bridge	$3,600,000
New York tunnels: electrical and mechanical	2,262,000
Concrete ties, CWR, and undercutting	1,100,000
Boston South Station cost overruns	10,000,000

The Committee has been made aware of cost overruns associated with the completion of Phase I of the northeast corridor improvement project work at South Station, Boston. As indicated above, the Committee has provided $10,000,000 for this project, which will represent the final federal appropriation for such overruns. Any additional cost overruns will be a local responsibility.

Authority for managing the completion of NECIP was transferred from the FRA to Amtrak effective October 1, 1985, in accordance with section 705 of the Railroad Revitalization and Regulatory Reform Act of 1976. The FRA retained responsibility for completing certain components of NECIP that could not be transferred to Amtrak at that time. The Committee expects the FRA to complete work on those NECIP components and intends for the FRA to have the ability to use previously appropriated funds, including fiscal year 1985 and 1986 appropriations, to accomplish these purposes. The Committee also expects that the cost of completing these NECIP components will be shared with those state and local governments that will be significant beneficiaries of the completed projects. Any funds not required by the FRA to complete NECIP components, including any receipts received by the Government from any claims or judgments arising out of procurement contracts, grants, or cooperative agreements entered into for NECIP purposes, are to be made available by the FRA to Amtrak for NECIP improvements.

The Committee expects any change to the Committee's fiscal year 1985, 1986 and 1987 NECIP distributions required by the above directive to be accomplished through the normal reprogramming process.

GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

	Appropriation	*By transfer*
Appropriation adjusted, 1986	$562,237,000	($28,500,000)
Budget estimate, 1987		

	Appropriation	By transfer
Recommended, 1987	$602,000,000	($11,000,000)
Comparison:		
Appropriation adjusted, 1986	+39,763,000	(−17,500,000)
Budget estimate, 1987	+602,000,000	(+11,000,000)

The National Railroad Passenger Corporation (Amtrak) is a "hybrid" (private/public) corporation created by the Rail Passenger Service Act of 1970 and incorporated under the laws of the District of Columbia to operate a national rail passenger system. Amtrak started operation on May 1, 1971.

Out of a route system of over 23,000 miles of track, Amtrak owns a total of 2,611 track miles in the Northeast Corridor (Washington-Boston; New Haven-Springfield; Philadelphia-Harrisburg), the Post Road Connection in Albany, New York, and track between Porter, Indiana and Kalamazoo, Michigan. On all other routes, Amtrak operates trains on the tracks of 20 different privately-owned railroads and compensates the railroads for their total packages of services. Under contract, these railroads furnish engineers, train operating crews, and maintenance services. These railroads are also responsible for the condition of the roadbed and for coordinating the flow of traffic.

Amtrak carried 20.6 million passengers in fiscal year 1985. It serves about 500 stations and employs 21,000 people. Another 4,200 work for Amtrak indirectly through the private contracting railroads.

AMTRAK FUNDING RECOMMENDATION

The Committee recommends a total funding level of $613,000,000 for Amtrak operating and capital expenses in fiscal year 1987. This includes $11,000,000 to be derived by transfer from the unexpended balances of the Conrail workforce reduction program. The budget proposed to discontinue all federal assistance for Amtrak, while Amtrak requested $636,000,000.

The Committee's recommendation is distributed as follows:

	Fiscal year 1986 adjusted	Fiscal year 1987 Amtrak request	Fiscal year 1987 recommendation
Total operating expenses	$1,612,000,000	$1,623,000,000	$1,623,000,000
Inflation		60,000,000	48,000,000
Percent		(4.1)	(3.3)
Total expenses	1,612,000,000	1,683,000,000	1,671,000,000
Expenses not requiring appropriation	−153,000,000	−163,000,000	−163,000,000
Funded expenses	1,459,000,000	1,520,000,000	1,508,000,000
Total revenue	895,000,000	950,000,000	950,000,000
Revenue reserved for capital	−25,000,000	−35,000,000	−25,000,000
Revenue available for operations	870,000,000	915,000,000	925,000,000
Operating shortfall	589,000,000	605,000,000	583,000,000
Labor/management productivity improvements			−1,000,000
Operating grant requirement	589,000,000	605,000,000	582,000,000
Capital grant		29,000,000	29,000,000
Labor protection	2,000,000	2,000,000	2,000,000

	Fiscal year 1986 adjusted	Fiscal year 1987 Amtrak request	Fiscal year 1987 recommendation
Total program level	$591,000,000	$636,000,000	$613,000,000
Transferred funds	−28,500,000		−11,000,000
Total appropriation	562,500,000	636,000,000	602,000,000

As indicated above, the Committee's recommendation would provide for three percent growth in funded operating expenses (from $1,459,000,000 to $1,508,000,000) instead of four percent growth as requested by Amtrak. Capital grants would be funded at the requested level of $29,000,000.

AMTRAK ROUTES

Following are Amtrak's projections for fiscal year 1987 route performance:

ROUTE STATISTICS FISCAL YEAR 1987 FORECAST BY ROUTE

	Revenue/cost ratio [1]	PM/TM	Short-term avoidable profit (loss)/PM [2]
Northeast corridor:			
Metroliner service	1.48	133	0.125
NEC conventionals	1.26	193	0.059
NYC-Philadelphia	0.90	152	0.013
Phila-Harrisburg	0.83	113	(0.007)
Total, NEC	1.29	177	0.068
Short distance:			
NYC-Niagara Falls	0.78	118	(0.008)
Chicago-St. Louis	0.61	90	(0.048
Chicago-Milwaukee	0.69	95	(0.035)
Chicago-Det-Toledo	0.68	121	(0.027)
L.A.-San Diego	0.94	170	0.013
Portland-Seattle	0.56	106	(0.075)
Chicago-Indianapolis	0.67	83	(0.035)
Total, short distance	0.75	118	(0.016)
403B:			
Phila-Harrisburg	0.91	71	0.006
Syracuse-Niagara Falls	0.61	74	(0.057)
Chicago-St. Louis	0.62	69	(0.059)
Chicago-Quincy	0.86	79	0.002
L.A.-San Diego	0.92	174	0.010
Oakland-Bakersfield	0.90	109	0.010
Albany-Montreal	0.96	101	0.026
Chicago-Port Huron-(Tor)	0.86	97	0.001
Kansas City-Cen-(Nol)	0.73	63	(0.039)
Phil-Pittsburgh-(NYC)	1.00	85	0.032
Chicago-Champaign	0.79	75	(0.015)
Chicago-Grand Rapids	0.75	62	(0.030)
Total, 403B	0.84	92	(0.003)
403D:			
NYC-Philadelphia	0.97	354	0.019
Phila-Harrisburg	0.48	103	(0.083)
NYC-Harrisburg	1.01	185	0.018
Chicago-Valparaiso	0.42	132	(0.106)
Total, 403D	0.87	230	0.002

ROUTE STATISTICS FISCAL YEAR 1987 FORECAST BY ROUTE—Continued

	Revenue/cost ratio [1]	PM/TM	Short-term avoidable profit (loss)/PM [2]
Long distance:			
Washington-Montreal (Montrealer)	0.58	218	(0.052)
NYC-FLA: (Silver Star)	0.63	239	(0.025)
NYC-FLA: (Silver Meteor)	0.72	313	(0.011)
Chicago-NYC/Wash (Broadway/Capitol Ltd.)	0.70	210	(0.015)
Chicago-Wash-NYC (Cardinal)	0.45	195	(0.095)
Chicago-Sea/Portland (Empire Builder)	0.59	163	(0.048)
Chicago-Oak/LA/Sea [3]	0.63	182	(0.038)
Chicago-Los Angeles (Southwest Chief)	0.68	165	(0.022)
Chicago-New Orleans (City of New Orleans)	0.62	162	(0.031)
Chicago/New Orleans-LA [4]	0.53	209	(0.056)
Los Angeles-Seattle (Coast Starlight)	0.93	333	0.011
Chicago-NYC/Boston (Lake Shore Limited)	0.73	218	(0.010)
Boston-Newport News (Colonial-Virginian)	0.77	190	(0.010)
New York-Savannah (Palmetto)	0.78	171	(0.008)
New York-New Orleans (Crescent)	0.66	194	(0.023)
(KCY)-STL-Cen-(HOL) (River Cities)	0.43	159	(0.067)
Auto Train	1.19	230	0.072
Total, long distance	0.69	208	(0.021)
Route total	0.83	180	0.001

[1] The ratio of route revenue (including State payments for 403(b) routes) to long-term avoidable cost.

[2] Equals short-term avoidable profit (loss) divided by incremental passenger miles. Short-term avoidable profit (loss) equals route revenues (including State payments for (403(b) routes) minus short-term avoidable cost.

[3] The California Zephyr/Desert Wind/Pioneer operate as a single train between Chicago and Salt Lake City, where the trains separate for their respective destinations of Oakland, Los Angeles, and Seattle. The three trains together constitute an integrated route.

[4] The Sunset Limited and the Eagle operate as a single train between Los Angeles and San Antonio, where the trains separate for their respective destinations of New Orleans and Chicago. The two trains together constitute an integrated route.

LABOR/MANAGEMENT RELATIONS

The Committee is disturbed by repeated allegations of abuse by mid-level Amtrak management employees of Amtrak's workforce discipline and grievance process. The effects on workforce morale caused by past abuses and allegations of continuing abuses can only have a negative impact on employee productivity and efforts to reduce operating costs. The Committee, therefore, has reduced the recommended subsidy by $1,000,000 for poor management practices. The Committee is also directing the Department of Transportation Inspector General to conduct a full investigation of Amtrak's discipline and grievance process, which is described in detail under the "Office of the Inspector General" section of this report.

AMTRAK SAFETY REPORTS

The Committee has directed the Federal Railroad Administration to submit a follow-up report on the Amtrak weather alert recommendations outlined in its recent report to the Committee. A special FRA safety assessment of Amtrak's employee workplace injury experience has also been requested. Details of these reports can be found under "Federal Railroad Administration, Railroad Safety."

FUEL SAVINGS

The Committee has provided funds to support a 3 percent increase in funded operating expenses for fiscal year 1987. As in other large operating accounts, a significant component of these costs will be fuel costs. Given the volatile nature of the oil market over the last year, the Committee recognizes that significant savings might be achieved if oil prices continue to remain at their present levels, or perhaps even drop further. To assist the Committee in its budget planning for the remainder of fiscal year 1987 and for fiscal year 1988, Amtrak is requested to provide quarterly reports on its electricity, diesel fuel, and gasoline/mixed fuel costs for fiscal year 1987. Such report should show actual costs for fiscal year 1986 by quarter, budgeted fiscal year 1987 costs by quarter, actual costs, and an explanation of how any savings would be used.

CAPITAL PROJECTS

The bill includes language carried in past appropriation acts specifying cost sharing arrangements for the West Side Connection and Atlantic City capital improvement projects.

NORTHEAST CORRIDOR IMPROVEMENTS

In addition to the amounts provided for direct Amtrak grants, Amtrak will directly benefit from the additional $16,962,000 provided for capital improvements under the northeast corridor improvement program.

Railroad Rehabilitation and Improvement Financing Funds

(Limitation on New Loan Guarantees)

Limitation adjusted, 1986	($3,828,000)
Budget estimate, 1987	
Recommended, 1987	
Comparison:	
Limitation adjusted, 1986	(−3,828,000)
Budget estimate, 1987	

The Secretary of Transportation is authorized under section 511 of the Railroad Revitalization and Regulatory Reform (4R) Act of 1976, as amended, to guarantee loans to railroads for capital improvements. The Committee has included language prohibiting all new loan guarantees.

Redeemable Preference Shares

(Authority to Borrow)

Appropriation adjusted, 1986	$32,059,000
Budget estimate, 1987	
Recommended, 1987	9,000,000
Comparison:	
Appropriation adjusted, 1986	−23,059,000
Budget estimate, 1987	+9,000,000

The redeemable preference share program is a low interest loan program for railroads. Under this program, the Government purchases a railroad's preferred stock, which the railroad must repurchase within 30 years. The railroad's advantages are that repayments of principal and interest may be deferred for 10 years. The resulting interest cost to the recipient can be as low as 2.03 percent. Preference share funding has generally been used for track rehabilitation, mostly for marginal Midwest railroads.

The bill includes a total of $9,000,000 to be used for meritorious rehabilitation projects. Of these funds, the Committee directs the FRA to reserve $4,000,000 to connect the Tri-County commuter rail system with the Dade County metrorail system in Florida, and $5,000,000 for a project in Massachusetts and Vermont involving the Central Vermont Railroad.

CONRAIL COMMUTER TRANSITION ASSISTANCE

	Appropriation	*By transfer*
Appropriation adjusted, 1986		($5,000,000)
Budget estimate, 1987		
Recommended, 1987	$5,000,000	
Comparison:		
Appropriation adjusted, 1986	+5,000,000	(−5,000,000)
Budget estimate, 1987	+5,000,000	

The Committee recommends an appropriation of $5,000,000 to assist in bridge rehabilitation work for Conrail commuter rail bridges that were transferred to local authorities pursuant to the Northeast Rail Service Act of 1981. It is the Committee's intent that these funds be used to provide 100 percent of the costs of rehabilitation and/or reconstruction of these bridges, and that such work be made in accordance with the rehabilitation standards adopted for the northeast corridor improvement program. In addition, to the maximum extent feasible, it is expected that minority businesses will be given every opportunity to perform the work resulting from this appropriation. However, the Department, in implementing such a plan, should not reduce its quality assurance criteria or lessen its standards of contract responsibility.

The Committee expects these funds to be made available in addition to funds SEPTA could otherwise expect to receive from the rail modernization program based on its historical percentage share of program funds for the fiscal year 1981 to the fiscal year 1986 period.

URBAN MASS TRANSPORTATION ADMINISTRATION

SUMMARY OF FISCAL YEAR 1987 PROGRAM

The Urban Mass Transportation Administration (UMTA) administers the federal financial assistance programs for planning, developing and improving comprehensive mass transportation systems in both urban and non-urban areas.

Most of the UMTA programs will be funded with direct appropriations in fiscal year 1987. However, the Committee recommendations assume that the discretionary grants program will continue to be financed with contract authority granted by authorizing legislation. This is consistent with H.R. 3129, which was ordered reported by the Public Works and Transportation Committee on June 25, 1986.

The total recommended funding for UMTA for fiscal year 1987 amounts to $3,480,839,000, including $2,465,839,000 in direct appropriations and $1,015,000,000 in contract authority. This is $2,260,839,000 more than the budget request, but $50,005,000 less than the adjusted fiscal year 1986 program level.

The following table summarizes the fiscal year 1986 adjusted program levels, the fiscal year 1987 program requests and the Committee's recommendations:

Program	Fiscal year 1986 adjusted program level	Fiscal year 1987 program request	Recommended in the bill
Administrative expenses	$28,710,000	([1])	$31,000,000
Research, training, and human resources	16,652,000	([1])	17,600,000
Formula grants	2,057,550,000		2,000,000,000
Transportation block grants—transit		[2] $1,220,000,000	
Discretionary grants	[2] 1,000,543,000		[2] 1,015,000,000
Interstate transfer grants	[3] 210,150,000		200,000,000
Washington Metro	217,239,000		217,239,000
Total	3,530,844,000	1,220,000,000	3,480,839,000

[1] Included under transportation block grants—transit.

[2] Contract authority obligation ceiling.

[3] Includes transfer of prior year research, training and human resources funds.

ADMINISTRATIVE EXPENSES

Appropriation adjusted, 1986	$28,710,000
Budget estimate, 1987	([1])
Recommended, 1987	31,000,000
Comparison:	
Appropriation adjusted, 1986	+2,290,000
Budget estimate, 1987	+31,000,000

[1] Included under transportation block grants—transit.

The bill includes an appropriation of $31,000,000 for the administrative expenses of the Urban Mass Transportation Administration. This amount, plus the use of any available unrestricted authorities, should provide sufficient funds for UMTA's personnel and support requirements.

The amount recommended is $4,200,000 more than the budget estimate of $26,800,000 that was included under the proposed transportation block grants-transit account. The Committee recommendation would provide for full-time equivalent employment (FTE) of 455, an increase of 66 FTE's over the budget request, but 35 FTE's less than the fiscal year 1986 level.

The bill also includes language limiting the operating expenses of the office of the administrator to $560,000. The Committee does not believe this office should be excluded from the staffing reductions that will be required in other parts of the agency.

GENERAL PROVISIONS

As stated last year, the Committee is concerned about some of the actions taken by UMTA's office of private sector initiatives. The Committee believes this office should be used primarily as a source of information to facilitate private sector involvement in urban transportation. The Committee does not believe that this office or any other UMTA office should be conditioning grant awards on private sector involvement and has included a general provision prohibiting such activity. Specifically, section 327 prohibits the use of funds to enforce any rules, policies, or guidelines that seek to delay transit grants or condition their award based on the methods or means by which providers of mass transit services or functions are selected, or on the extent or amount of services or functions to be carried out by private sector organizations.

The bill also includes a general provision requiring the publication of all sections 3 and 9 UMTA grant obligations in the Federal Register within seven calendar days after the obligation is made.

RESEARCH, TRAINING, AND HUMAN RESOURCES

Appropriation adjusted, 1986	$16,652,000
Budget estimate, 1987	(1)
Recommended, 1987	17,600,000
Comparison:	
Appropriation adjusted, 1986	+948,000
Budget estimate, 1987	+17,600,000

[1] Included under the proposed transportation block grants—transit.

The bill includes $17,600,000 for the research, training, and human resources programs of the Urban Mass Transportation Administration. This amount is $948,000 more than the adjusted fiscal year 1986 appropriation, but $1,900,000 less than the $19,500,000 budget estimate included under the proposed transportation block grants—transit limitation.

The following table summarizes the fiscal year 1986 adjusted appropriation, fiscal year 1987 budget estimate and Committee recommendation:

	Fiscal year 1986 adjusted appropriation [1]	Fiscal year 1987 budget estimate [2]	Recommended in the bill
Research and technical assistance	$23,875,000	$16,000,000	$14,100,000
Management training	861,000	500,000	500,000
University research	1,531,000	1,000,000	1,000,000
Human resources	4,785,000	2,000,000	2,000,000
Program Total	31,052,000	19,500,000	17,600,000
Use of unobligated and deobligated funds	−14,400,000		
Total, new budget authority	16,652,000	19,500,000	17,600,000

[1] Amounts assume pro rata sequestration of fiscal year 1986 appropriation.
[2] Included under transportation block grants—transit.

The amount recommended for research and technical assistance includes $800,000 for the continuation of the phosphoric acid fuel cell bus technology development program to be administered by the university which had oversight over the feasibility study and coordinated the activities of the advisory committee. The Secretary shall enter into agreements with the Department of Energy to coordinate the research activities on the phosphoric acid fuel cell.

READEX FICHE

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Testimony indicates that the research and technical assistance program recently has been redirected to emphasize four lead programs: safety and security, competition and local involvement, financial reform, and new transit policy trends. Since there has been little opportunity to evaluate the effectiveness of these lead programs, the Committee is recommending funding at $1,900,000 less than the budget estimate.

The Committee has approved the budget requests for the management training, university research, and human resources programs.

COST SHARING

In those instances where the research conducted under this program will result in the development of new or improved marketable products by private sector firms, the Committee expects UMTA to work toward arrangements that will include the sharing of such research costs by these private sector firms.

FORMULA GRANTS

Appropriation adjusted, 1986	$2,057,550,000
Budget estimate, 1987	....
Recommended, 1987	2,000,000,000
Comparison:	
Appropriation adjusted, 1986	−57,550,000
Budget estimate, 1987	+2,000,000,000

The Committee recommends an appropriation of $2,000,000,000 for formula grants. The President's budget did not request any new general fund appropriations for this program in fiscal year 1987. Instead, the budget assumed the enactment of new legislation to establish a block grant program funded from the mass transit account of the highway trust fund. Since this new authorizing legislation has not been enacted, the Committee is recommending funds for continuation of the existing formula grant program. The Committee believes these grants are essential to permit UMTA to adequately assist communities throughout the nation in maintaining and improving existing public transportation systems.

The formula grant program was authorized by the Surface Transportation Assistance Act of 1982. The program provides formula-allocated funds for mass transportation capital and operating assistance in both urban and non-urban areas. The funds appropriated to urbanized areas may be used for fixed guideway and bus capital projects, as well as for operating assistance and planning projects. The funds appropriated to non-urbanized areas may also be used for capital, operating and planning projects and are intended to assist states, local public authorities, nonprofit organizations and other operators of public transportation services in providing public transportation to residents of rural areas and small communities.

The amount recommended would be distributed as follows:

Urbanized areas with a population of 200,000 or more.—These areas would receive $1,768,600,000. Of this amount, $1,179,833,000 would be available for the bus tier, most of which is distributed 50 percent based on revenue vehicle miles, 25 percent based on population and 25 percent based on population density. The remaining $588,767,000 is for the fixed guideway tier which, for the most part, is distributed 60 percent based on revenue vehicle miles and 40 percent based on route miles. Within these distributions, there is also an incentive tier for both bus and fixed guideway, which is based on passenger miles and operating cost.

Urbanized areas under 200,000 population.—These areas would receive $172,800,000 to be distributed 50 percent based on population and 50 percent based on population density.

Nonurbanized areas.—These areas would receive $58,600,000, or 2.93 percent, of the total recommended.

OPERATING ASSISTANCE

Under the Committee recommendation, formula grant appropriations would be available for operating assistance to the full extent authorized by the Surface Transportation Assistance Act of 1982 or any subsequent act that provides for a revised operating assistance allocation.

GENERAL PROVISION

The bill continues as a general provision (section 316) the limitation language regarding the Southeastern Michigan Transportation Authority (SEMTA). The Committee notes that SEMTA has made progress toward gaining a consensus among the relevant jurisdictions. However, the process has not been completed in that the source of local operating funding for the proposed rail line has not been decided. This decision will require new taxes, which under Michigan law require a referendum. This referendum must be held before the Committee will recommend funds for planning, preliminary engineering and design, or construction. Additionally, the Committee continues to have reservations about the underground portion of the plan, and suggests that this portion be reconsidered.

Transportation Block Grants—Transit

(Liquidation of Contract Authorization)

(Highway Trust Fund)

Appropriation adjusted, 1986	
Budget estimate, 1987	($264,625,000)
Recommended, 1987	
Comparison:	
Appropriation adjusted, 1986	
Budget estimate, 1987	(−264,625,000)

The Committee has not approved the budget request of $264,625,000 to liquidate obligations incurred under the proposed new block grants program. As previously indicated, this new program has not been authorized and the Committee has recommended funds for continuation of the existing formula grant program.

DISCRETIONARY GRANTS

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

Limitation adjusted, 1986	($1,000,543,000)
Budget estimate, 1987	
Recommended, 1987	(1,015,000,000)
Comparison:	
Limitation adjusted, 1986	(+14,457,000)
Budget estimate, 1987	(+1,015,000,000)

The bill includes language limiting to $1,015,000,000 obligations for the discretionary part of UMTA's capital grant and technical planning activities. The budget estimate did not provide for a discretionary grant program in fiscal year 1987, but funding was included under the block grants program for planning grants and the elderly and handicapped program. The Committee recommendation assumes the enactment of legislation continuing the existing discretionary grant program. Such legislation was ordered reported by the Public Works and Transportation Committee on June 25, 1986.

Beginning in fiscal year 1984, funds for discretionary grants are derived from gas tax revenue made available to the mass transit account of the highway trust fund. This account was established by the Surface Transportation Assistance Act of 1982. While that legislation changed the source of funds for the discretionary grant (section 3) program, it did not change the projects eligible for funding under the program. However, the expanded formula grant (section 9) program is designed to finance most bus system requirements and a portion of rail modernization needs. This discretionary grants program, therefore, is expected to be available primarily for extensive rehabilitation and modernization of commuter rail and fixed guideway projects, new systems, major bus purchases and new bus facilities or for facilities requiring substantial upgrading or expansion.

The amount recommended for the discretionary grant program is to be distributed as follows:

	Fiscal year 1986 adjusted limitation	Recommended in the bill
Bus and bus facilities	$138,765,000	$140,000,000
Existing rail modernization and extensions	411,510,000	420,000,000
New systems and new extensions	368,444,000	370,000,000
Planning	47,850,000	45,000,000
Elderly and handicapped	29,189,000	35,000,000
Innovative techniques and technology introduction	4,785,000	5,000,000
Total	1,000,543,000	1,015,000,000

BUS AND BUS FACILITIES

The Committee recommends $140,000,000 under this heading for bus purchases and bus facilities, including maintenance garages. Bus systems are expected to continue to play a vital role in the mass transportation systems of virtually all cities. UMTA estimates that approximately 95 percent of the areas that provide mass transit service do so through bus transit only and about 70 percent of all transit passenger trips are provided by bus. The Committee believes that the $140,000,000 recommended under this heading, together with other appropriations that are available for bus projects, should provide the funding necessary to retain existing bus riders as well as to attract new riders who currently use the private automobile.

As has been stated in prior reports, the Committee expects that the major rail areas will receive equal consideration along with all other cities under this program. In addition to the rail transit service provided in these locations, a significant portion of the nation's bus service is provided in these areas.

The Committee directs that $2,831,000 be made available to complete a new bus garage and maintenance facility for the Montachusett Area Regional Transit Authority.

RAIL MODERNIZATION

The Committee recommends $420,000,000 from the discretionary grants program to modernize existing rail transit systems. Funding for rail modernization is provided primarily to eight areas: New York, Northern New Jersey, Chicago, Philadelphia, Pittsburgh, Boston, Cleveland and San Francisco. These rail systems account for approximately 30 percent of total nationwide transit ridership.

In addition to the areas listed above, commuter rail service in Detroit, Southern New Jersey, Baltimore, Southern Connecticut, and Northern Indiana and the light rail system in New Orleans are occasional recipients of rail modernization funding.

The discretionary grants provided to these areas for the past seven years are as follows:

RAIL MODERNIZATION OBLIGATIONS—FISCAL YEARS 1979–1986

[In millions, by fiscal year]

Urbanized area	1979	1980	1981	1982	1983	1984	1985	1986 [1]
Boston	$41.5	$52.3	$65	$63	$69.3	$70.3	$24.9	$48.5
New York	190.6	232	285	252.5	283	153.2	[2] 161.3	64.3
NE New Jersey	97	110	116.5	95.8	82	39.2	24.5	16.7
Philadelphia	92.6	75	90.5	94.4	105.1	63.7	6	55.5
Pittsburgh	28.6	66.9	92.8	81.5	50	79	42.8	0
Chicago	105	120	130	133.4	116.2	60	43.3	28.5
Cleveland	43	33	45	18	9.9	7.7	11.3	0
San Francisco	17.4	30	54.4	62.1	70.9	66.1	26.5	19
Others	26.3	40.8	46.4	48.2	83.6	6.3	2.4	32.9
Unobligated								384.2
Total	642	760	925.6	848.9	870	545.5	343	649.6

[1] Includes obligations through March 31, 1986.

[2] The fiscal year 1985 section 3 total for New York includes $75.1 million in prior year deobligated funds reobligated in fiscal year 1985.

The Committee directs that $40,000,000 of the rail modernization grants to the New York MTA be made available solely for the extension and completion of full electrified service on the Long Island Railroad's Port Jefferson line east of Northport.

Section 323 of the bill allocates $9,001,532 to the City of Philadelphia to cover extraordinary costs incurred by the City in the construction of the Center City Commuter Connection. These costs are a result of federal legislation passed after the project commenced construction and excess eminent domain costs. These funds from section 3 should be considered to be in excess of the amounts the Philadelphia region would normally receive under the section 3 program.

The Committee takes note that the City of Philadelphia first applied to UMTA for reimbursement of these costs in August 1983 and the UMTA's response has been incomplete. The Committee directed UMTA to resolve the City's claims in House Report 98-859. The Committee also notes that UMTA has placed an audit exception on a $4,700,000 expenditure for the purchase of land needed for the project. UMTA should resolve the City's claim as quickly as possible.

Within the funds available, the Committee directs that priority consideration be given to applications for completion of the San Francisco Municipal Railway Embarcadero Station turnaround and breakout project.

NEW SYSTEMS

Under the Committee recommendation the sum of $370,000,000 would be available for preliminary engineering, right-of-way acquisition, new systems construction and extensions. These funds are to be distributed as follows:

City and project	*Amount*
Los Angeles (rail construction)	$110,000,000
Portland (light rail)	1,300,000
Seattle (bus tunnel)	67,870,000
Miami (circulator)	16,000,000
Santa Clara (light rail)	18,450,000
Atlanta (rail construction)	90,000,000
Houston (busway)	47,000,000
St. Louis (light rail)	12,830,000
Denver (busway)	6,550,000
Total	370,000,000

The Committee directs the Secretary of Transportation to enter into negotiations for a full funding contract with appropriate local government officials to construct the St. Louis light rail transit project, Metro Link. The Secretary shall submit a proposed full funding contract to appropriate local authorities and commence negotiations with these officials no later than 30 days after enactment. The Secretary shall report the status of these negotiations, including a schedule of meetings held, issues which have been resolved, and the remaining differences on such a full funding contract to the House Committee on Appropriations 90 days after enactment.

It has been alleged that Congress has created an "unfunded liability" of billions of dollars in the new systems category. This is inaccurate. As the following table indicates, the estimated future section 3 cost of the new system projects recommended for fiscal year 1987 is $523,000,000, or less than two years of funding at the current rate.

NEW SYSTEM PROJECTS

[In millions]

City and project	Total cost	Section 3 share	Prior year earmarks	Fiscal year 1987 earmarks	Remaining section 3 cost
Atlanta—Phase C	$643	$178	$66	$90	$22
Houston—North Freeway Transitway	94	47	0	47	0
Los Angeles—MOS-1 (4.4 miles)	1,175	606	403	110	93
Miami—Metromover (4.1 miles)	362	246	174	16	56
Portland—Banfield LRT	287	93	86	1	6
St. Louis—Airport LRT	[1] 250	250	23	13	214
Denver—North I-25 corridor	119	56	0	7	49
Santa Clara—Guadalupe LRT	405	205	187	18	0
Seattle—Bus Tunnel	395	197	46	68	83
Total	3,730	1,878	985	370	523

[1] Plus local in-kind contribution.

PLANNING AND TECHNICAL STUDIES

The bill includes the sum of $45,000,000 for planning and technical studies. The major activities funded under this heading include short range transportation system management and transportation improvement programs, alternatives analysis studies, and energy conservation and contingency planning. Funds are also available for state planning and special studies.

ELDERLY AND HANDICAPPED

The Committee recommends a level of $35,000,000 to support transit systems that provide specialized service for elderly and handicapped persons in accordance with section 16(b)(2) of the Urban Mass Transportation Act. These funds are expected to be used primarily to purchase small vehicles that are accessible to the elderly and handicapped.

TECHNOLOGY INTRODUCTION AND INNOVATIVE TECHNIQUES

The Committee recommends $5,000,000 to continue the innovative techniques and technology introduction programs. The Committee believes these funds should be limited to a relatively small number of projects to permit a thorough evaluation of the need for and cost effectiveness of these programs.

The innovative techniques program is designed to implement the concepts developed under the service and methods demonstration program and the transit management program. Funds for technology introduction will be available for UMTA grantees to purchase limited production quantities of new products for trial and evaluation in revenue service.

(LIQUIDATION OF CONTRACT AUTHORIZATION)

Appropriation adjusted, 1986	($775,000,000)
Budget estimate, 1987	(950,000,000)
Recommended, 1987	(950,000,000)
Comparison:	
Appropriation adjusted, 1986	(+175,000,000)
Budget estimate, 1987	....

The Committee has approved the budget request of $950,000,000 to liquidate obligations incurred under basic legislation for urban mass transportation. This liquidating cash appropriation covers obligations incurred under contract authority provided for those activities previously discussed under the discretionary grants program and for section 21(a)(2)(A) formula grants.

INTERSTATE TRANSFER GRANTS-TRANSIT

	Appropriation	*By transfer*
Appropriation adjusted, 1986	$191,400,000	($18,750,000)
Budget estimate, 1987		
Recommended, 1987	200,000,000	
Comparison:		
Appropriation adjusted, 1986	+8,600,000	(−18,750,000)
Budget estimate, 1986	+200,000,000	

The bill includes $200,000,000 for transit projects that have been substituted for interstate highway segments. This program was established by the Federal-Aid Highway Act of 1973, which permitted state and local officials to withdraw planned interstate highway segments and substitute transit projects. The cut-off date for approval of new interstate withdrawal requests was September 30, 1983. As of September 30, 1986, it is estimated that the balance for substitute transit projects will total $1,053,280,111. According to statutory provisions, this balance is allocated to the following areas:

INTERSTATE SUBSTITUTION TRANSIT COST TO COMPLETE AS OF SEPTEMBER 30, 1986

State	Withdrawal area	Adjusted estimated additional funds required to complete substitute transit projects
California	Sacramento	$3,231,517
	San Francisco	59,595,306
Connecticut	Bolton to Killingly	259,900
	Hartford-New Britain	13,353,660
District of Columbia	Washington	4,148,095
Illinois	Chicago	313,628,397
Indiana	Indianapolis	1,049,623
Iowa	Waterloo	9,406,077
Maryland	Baltimore	194,671,946
Massachusetts	Boston	28,456,267
	Fall River to Providence	679,091
Minnesota	Duluth	1,688,106
New Jersey	New York City to Trenton	1,012,114
	Philadelphia	709,840
New York	Albany	1,146,084
	New York City	349,704,645
Ohio	Cleveland	16,659,390
Oregon	Portland	7,702,699
Rhode Island	Rhode Island	26,964,271
Tennessee	Memphis	19,213,083
Total		1,053,280,111

According to the Surface Transportation Assistance Act of 1982, 50 percent of the interstate transfer-transit appropriation is to be distributed on a formula basis and 50 percent is to be distributed on a discretionary basis. The Committee expects these funds to be allocated as follows:

	Formula [1]	Discretionary	Total
Sacramento	$307,000	$2,924,517	$3,231,517
San Francisco	5,658,000		5,658,000
Killingly	25,000		25,000
Hartford-New Britain	1,268,000		1,268,000
Washington, D.C	394,000		394,000
Chicago	29,776,000	60,000,000	89,776,000
Indianapolis	100,000		100,000
Waterloo	893,000		893,000
Baltimore	18,482,000		18,482,000
Boston	2,702,000	20,000,000	22,702,000
Fall River	64,000		64,000
Duluth	160,000		160,000
New Jersey	163,000	1,500,000	1,663,000
Albany	109,000		109,000
New York City	33,202,000	5,575,483	38,777,483
Cleveland	1,582,000	10,000,000	11,582,000
Portland	731,000		731,000
Rhode Island	2,560,000		2,560,000
Memphis	1,824,000		1,824,000
Total	100,000,000	100,000,000	200,000,000

[1] Estimate based on information provided by the Urban Mass Transportation Administration.

The Committee recognizes that delays in some regions' projects could necessitate adjustments to the above allocations. The Committee expects these adjustments, if required, to be accomplished only through the normal reprogramming process.

WASHINGTON METRO

Appropriation adjusted, 1986	$217,239,000
Budget estimate, 1987	
Recommended, 1987	217,239,000
Comparison:	
Appropriation adjusted, 1986	
Budget estimate, 1987	+217,239,000

The bill includes a continuation of the fiscal year 1986 appropriation of $217,239,000 under this account for the construction of the Washington, D.C. Metrorail system. These funds are authorized by Public Law 96-184 and are in addition to the funds made available to the Washington, D.C. area under the interstate transfer grant and formula grant appropriations. The Washington, D.C. area could receive $394,000 in interstate transfer funds and about $50,000,000 in UMTA formula grant (section 9) appropriations. Funds received from those appropriations can be used for Metrorail system construction if the local jurisdictions choose to make such a determination.

ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION

The Corporation's operations program consists of lock and marine operations, maintenance, dredging, planning and development activities related to the operation and maintenance of that part of the Saint Lawrence Seaway between Montreal and Lake Erie within the territorial limits of the United States.

The Committee maintains a strong interest in maximizing the commercial use and competitive position of the Saint Lawrence Seaway, a vital component of our nation's transportation network. The accompanying bill includes language authorizing the Saint Lawrence Seaway Development Corporation to make expenditures within the limits of the funds available to the Corporation to carry out its program consistent with the limitation on administrative expenses discussed below. The language included in the bill is the same as the language provided last year and requested in the fiscal year 1987 budget.

LIMITATION ON ADMINISTRATIVE EXPENSES

Limitation adjusted, 1986	($1,834,000)
Budget estimate, 1987	(1,990,000)
Recommended, 1987	(1,925,000)
Comparison:	
Limitation adjusted, 1986	(+91,000)
Budget estimate	(−65,000)

For fiscal year 1987, the Committee recommends an increase in the limitation on administrative expenses of $91,000 over the previous fiscal year. Most of this increase is for annualization costs, within-grade advancements, and increased charges for rent, communications and utilities. No additional positions are requested or recommended.

ANTI-DEFICIENCY VIOLATION

The Committee is concerned by testimony from both the acting deputy inspector general and the seaway administrator regarding the seaway administrator's accounting procedures for official reception and representation expenses. The Inspector General's office found that the St. Lawrence Seaway Development Corporation incurred various reception and representation charges that were not properly recorded, exceeded statutory limitations, or were expressly prohibited. The Inspector General concluded that this improper accounting resulted in an anti-deficiency violation. The Committee directs the seaway administrator to adhere strictly to the guidelines and definitions contained in the Department of Transportation's Order 2770.1C governing the Department's use and accounting of official reception and representation funds.

EISENHOWER LOCK REPAIRS

Appropriation adjusted, 1986	
Budget estimate, 1987	
Recommended	$2,000,000
Comparison:	
Appropriation adjusted, 1986	+2,000,000
Budget estimate, 1987	+2,000,000

The two U.S. locks on the St. Lawrence Seaway system, Eisenhower and Snell, are located at Massena, New York. Eisenhower Lock has required extraordinary maintenance on an annual basis since April 1962 when concrete deterioration was first detected.

Concrete deterioration at Eisenhower Lock is linked to the natural cement used in the concrete at the time the locks were constructed by the Corps of Engineers. The concrete mix at Eisenhower Lock contained 25 percent natural cement, by weight; whereas Snell Lock concrete contained only Portland cement. Studies by the U.S. Corps of Engineers and by an engineering consultant concluded that the use of natural cement caused the concrete to cure slowly. Then certain portions of the concrete were not adequately protected from cold temperatures during initial construction. As a result, the concrete suffered frost damage, creating a porous concrete that allowed unusual water penetration. When exposed to freeze-thaw cycles, this saturated concrete freezes and deteriorates, requiring extraordinary maintenance to maintain structural adequacy of the lock.

In February 1985, the Buffalo District of the Corps of Engineers completed a reconnaissance report on the rehabilitation of Eisenhower and Snell locks. The report recommended $39,200,000 to rehabilitate both locks. Included in the total was $4,500,000 for concrete repair of Eisenhower Lock. During the 1986 winter shut-down period, the Seaway Corporation completed approximately one-half of the recommended concrete repairs.

Since 1959, the Corporation has met its expenses from revenues it generates from tolls. However, the recent decline in toll revenue is preventing the Corporation from completing necessary concrete repairs at Eisenhower Lock. Toll revenues for 1985 were down 25 percent from 1984 and as of June 1, 1986, revenues are down 10 percent from 1985.

The Committee is recommending an appropriation of $2,000,000 to complete concrete repair at Eisenhower Lock. This should eliminate possible safety problems and reduce pressure to increase U.S. tolls to fund the required repairs.

Although the Saint Lawrence Seaway Development Corporation has received no direct appropriations from the general fund in recent years, the Congress has assisted the Seaway Corporation by eliminating the interest payments on the original construction debt in 1970 and again in 1982 by cancelling the remaining construction debt.

The Committee directs the seaway administrator to submit a report accounting for all expenditures of funds expressly appropriated for the purpose of concrete repair of Eisenhower Lock. This report should be submitted to the House and Senate Appropriations Committees no later than 60 days following completion of the concrete repair work.

RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION

RESEARCH AND SPECIAL PROGRAMS

Appropriation adjusted, 1986	$18,470,000
Budget estimate, 1987	20,024,000
Recommended, 1987	20,800,000

Comparison:	
Appropriation adjusted, 1986	+2,330,000
Budget estimate, 1987	+776,000

The Research and Special Programs Administration serves as a research, analytical, and technical development arm of the Department for multimodal research and development, and special programs. Particular emphasis is given to pipeline safety and transportation of hazardous cargo by all modes of transportation. These responsibilities are carried out under the following activities:

Operations.—Provides for salaries and expenses and for central supervisory and management functions necessary for overall planning and direction. Provides for management and execution of transportation programs involving hazardous materials and pipeline safety regulatory programs, national emergency plans/preparedness, safety, security training, transportation statistics, and aviation information data.

Research and Development.—Provides for research to support the hazardous materials and pipeline safety regulatory programs and to complement research programs of other operating administrations.

Grants.—Provides for the grants-in-aid to state agencies that conduct natural gas and hazardous liquid pipeline safety programs authorized by the Natural Gas Pipeline Safety Act of 1968 and the Hazardous Liquid Pipeline Safety Act of 1979.

BUDGET SUMMARY

The Committee recommends $20,800,000 to continue the operations, research and development, and grants-in-aid administered by the Research and Special Programs Administration. This is $776,000 more than the budget request.

These funds are to be distributed as follows:

Operations	$13,535,000
Research and development	2,265,000
Natural gas pipeline safety grants-in-aid	5,000,000
Positions	(702)

Major reductions from the budget request include −$225,000 for program management administrative costs, −$50,000 for advisory committees, and −$10,000 for travel. Major areas of increase are discussed below.

RSPA STAFFING

The Committee allowance includes $8,190,000 to fund the personnel compensation and benefit costs for 702 permanent positions. This includes an additional $300,000 and five positions above the budget request to upgrade the hazardous materials and pipeline safety programs. These positions are to be distributed as follows:

Office	*Positions*
Administrator	5
Chief counsel	8
Program management and administration	15
Aviation information management	10
Emergency transportation	10
Hazardous materials	80
Pipeline safety	47
Transportation systems center	527

HAZARDOUS MATERIALS STAFFING/MANAGEMENT

Three of the additional positions provided above the budget request are to be allocated for additional hazardous materials inspection and rulemaking personnel. These additional resources are provided in response to the findings and conclusions of the Department's Safety Review Task Force Report of February 1986. That report raised serious questions about the adequacy of hazardous materials staffing levels and the management of key elements of the hazardous materials regulatory program.

The Committee is disturbed by the wide fluctuations in hazardous materials staffing recommendations made by the administration over the past five years. According to the RSPA administrator, the staffing reductions recommended by the administration in previous years have "created many problems, ranging from morale to trying to set priorities." The safety task force now recommends additional staffing. The Committee can only conclude from this history that hazardous materials enforcement and regulatory staffing needs have not been properly analyzed, and that policy objectives other than program performance and efficiency have governed these recommendations. In response to this situation the Committee has directed the Office of the Secretary to develop quantifiable staffing standards and workload goals to give assurances that important safety enforcement programs—including hazardous materials and pipeline safety—are properly staffed. It is expected that these standards will be used appropriately in the development of future RSPA budget requests.

With regard to hazardous materials regulatory management, the safety task force identified several critical management shortcomings that should be promptly addressed. Among these were the lack of an overall strategy and plan setting the agency's regulatory priorities, an antiquated system for reviewing and issuing regulations, inadequate data to support regulatory decisions, and a lack of uniformity in oral and written interpretations of hazardous materials regulations. The Committee expects the RSPA to make significant improvements in the management of this program in the coming year. RSPA's progress in this regard will be fully examined at the Committee's fiscal year 1988 RSPA budget hearings.

PIPELINE SAFETY ENFORCEMENT

Two additional positions are provided above the budget request for additional pipeline safety field inspectors. The Committee is greatly concerned by the conclusions of the General Accounting Office that the RSPA has failed to provide adequate inspection coverage of the pipeline operators under its jurisdiction. The recent fiery pipeline explosion that killed two persons, seriously injured another and caused extensive property damage in the residential community of Mounds View, Minnesota, dramatically underscores the need for an effective pipeline safety inspection program. The Committee notes that the Mounds View explosion occurred in an interstate pipeline system that, within the State of Minnesota, has had a significant number of leaks and spills over the past decade. Accordingly, the Committee directs the RSPA to assign two additional field inspectors to the Kansas City, Missouri, pipeline safety office to enhance inspection coverage in that region, and further directs the RSPA to undertake annual comprehensive inspections of pipeline operators in the region, especially within the State of Minnesota.

In addition, the Committee directs the RSPA to submit, no later than 45 days after enactment of the accompanying bill, a report reassessing the need for establishing mandatory quality assurance requirements for all pipeline operators under its jurisdiction. Such report shall explain whether mandatory quality assurance requirements would serve to increase industry compliance with federal regulations and thereby improve system safety. This report should also identify the most frequent and most dangerous violations of federal pipeline regulations that have been discovered by federal inspectors over the past five years and explain how quality assurance requirements could be imposed to reduce such violations. The Committee also directs that this report include a review of the quality assurance program of the pipeline operator that experienced the Mounds View, Minnesota, explosion and make recommendations on how this program could be improved.

RESEARCH AND DEVELOPMENT

The Committee allowance includes $2,265,000 for research and development activities of the RSPA. These funds are to be distributed as follows:

Hazardous materials technology	$760,000
Pipeline safety technology	825,000
Emergency transportation	230,000
Telecommunications	450,000

The Committee has provided an additional $200,000 above the budget request for pipeline safety technology research to continue a welding fracture data base project at the Oregon Graduate Center.

PIPELINE SAFETY GRANTS-IN-AID

The Committee allowance includes $5,000,000 for a newly merged natural gas and hazardous liquid pipeline safety grants-in-aid program. This is $500,000 above the budget request and $694,000 above the fiscal year 1986 level. The Consolidated Omnibus Budget Reconciliation Act of 1986, enacted on April 7, 1986, merged the natural gas and hazardous liquid pipeline safety programs and requires that not less than five percent of the amount appropriated shall be spent on hazardous liquid pipeline safety.

Language has also been inserted in the accompanying bill requiring that the $694,000 increase over the fiscal year 1986 level for pipeline safety grants be used only to support additional state inspection personnel beyond the level supported in each state at the end of fiscal year 1986. Pipeline safety grants currently reimburse states for 31 percent of their inspection costs. This program supports a total of approximately 250 staff years of effort in 48 states. The Committee is concerned that the additional funds provided in fiscal year 1987 will be used simply to increase reimbursements up to the maximum authorized federal share of 50 percent, with no commensurate increase in inspection personnel. This is in fact what has happened in previous years. Since fiscal year 1981, federal funding for natural gas pipeline safety grants has increased by 40 percent, yet the number of supervisory and technical inspection staff years supported by these funds has increased by only 2.8 percent. The recommended bill language is intended to ensure that any additional federal dollars will be used for additional inspection activity.

GENERAL PROVISION—TRANSPORTATION SYSTEMS CENTER

The bill includes a permanent provision (section 311) prohibiting the use of funds in this or any previous or subsequent Act for planning or implementing any change in the current federal status of the Transportation Systems Center.

TRAINING FEES

The bill also includes the requested language authorizing the RSPA appropriation to be credited with the amount of tuition fees that are paid by non-federal entities to the Transportation Safety Institute. It is estimated that this provision will provide an additional $185,000 for the RSPA in fiscal year 1987—$106,000 from state and local government sources, and $79,000 from private industry.

OFFICE OF THE INSPECTOR GENERAL

SALARIES AND EXPENSES

Appropriations adjusted, 1986	$26,413,000
Budget estimate, 1987	27,630,000
Recommended, 1987	27,770,000
Comparison:	
Appropriation adjusted, 1986	+1,357,000
Budget estimate, 1987	+140,000

The Inspector General's office was established in 1978 to provide an objective and independent organization that would be more effective in: (1) preventing and detecting fraud, waste, and abuse in departmental programs and operations; and (2) providing a means of keeping the Secretary of Transportation and Congress fully and currently informed of problems and deficiencies in the administration of such programs and operations.

The Committee recommends $27,770,000 and 471 positions for the Office of the Inspector General in fiscal year 1987. This is $140,000 and 12 positions more than the budget request. The Committee has restored 12 positions necessary to audit the essential air service program.

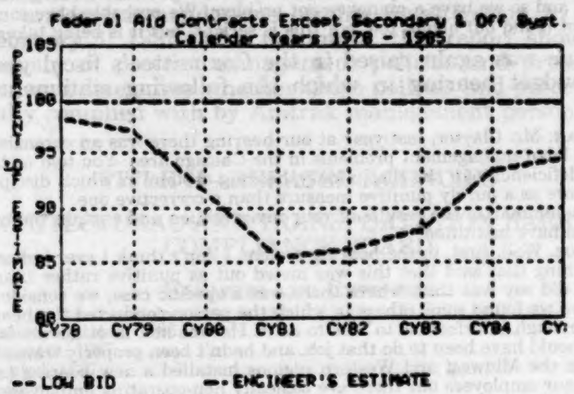
BID-RIGGING INVESTIGATIONS

Since 1979 the Office of the Inspector General has worked with the Antitrust Division of the Department of Justice and the Federal Bureau of Investigation to actively investigate conspiracies to rig bids on Department of Transportation-funded construction projects.

As of March 1, 1986, investigations of bid-rigging on federally-funded highway projects were active in 34 states and in Puerto Rico. Grand juries were sitting in 17 states. As of January 31, 1986, these investigations had produced 640 indictments and 518 convictions involving 257 individuals and 261 corporations. This has resulted in $61,291,703 in fines and 59.6 years in prison sentences.

The Committee is concerned by testimony over the past two years from the Office of the Inspector General regarding the recurrence of bid-rigging in some states. This year the acting deputy inspector general indicated that there is evidence that anticompetitive practices have reemerged in some states where bid-rigging investigations had been concluded.

The following graph prepared by the Inspector General's office depicts the relationship of average winning bid prices to engineer's estimates on a national basis for calendar years 1978 through 1985. There was a decline in prices nationwide that coincided with the increased enforcement effort in highway construction bid-rigging. There has been a rise in the curve over the last two years. The Office of the Inspector General believes that rise may be due in part to a recurrence of bid-rigging in states where investigations have been completed.



The Committee continues to express full support of the Inspector General's bid-rigging investigations, and as in past years, expects the Inspector General to continue to make bid-rigging investigations his first priority. The Committee expects to be advised immediately if any Department of Transportation budgetary or management action adversely affects the Inspector General's office in performing thorough, prompt, and comprehensive bid-rigging investigations.

PROCUREMENT REVIEWS

The Committee also urges the Inspector General to continue to make procurement reviews a priority. The Committee expects to be made aware immediately of any procurement review that recommends cancellation or major modifications to any proposed project.

AMTRAK INVESTIGATION

The Committee is disturbed by the continuing allegations it has received that major weaknesses still exist in Amtrak's discipline and grievance process. Charges have been made that there is a lack of impartiality among Amtrak's hearing officers, that the reporting line for investigating officers lends itself to the conduct of unfair hearings, that the appeals process is too lengthy, that there is a lack of thorough communications between management and labor, that appeals result in automatic denials, and that a dual system exists whereby management employees are not subject to the same rules of conduct as agreement-covered employees.

This issue was first raised in the Committee's fiscal year 1985 Amtrak budget hearing in which the president of Amtrak stated the following:

> Mr. Claytor . . . We have had a problem here. Every railroad has, but this is not an area of Amtrak I have gotten into and I am now going to do just that. Your hearing officers have got to be trained. Amtrak has a training program for hearing officers, but there have been some other cases that are not as bad as this that I have heard about. The training is obviously inadequate.
>
> We are right now putting a whole new system in effect for screening the hearing officer, screening the whole operation and turning it around. Chicago is a particularly bad place. We have had management problems there. We changed our General Manager in Chicago a short time ago. We are in the process of reorganizing that whole place, and so we have a management problem. We probably have some others they have not found out about, too, but this is serious, but it is being taken care of.

This issue was again raised in the Committee's fiscal year 1986 Amtrak budget hearing in which the following statements were made:

> Mr. Lehman. Mr. Claytor, last year at our hearing there was an extensive discussion on your labor-management problems in the Chicago area. You told us then that there were deficiencies in the disciplinary hearing system in which discipline was meted out more as a purely punitive measure than a corrective one.
>
> Would you summarize the results of your investigation and explain the corrective measures you have instituted?
>
> Mr. Claytor. Well, first, in the hearing system, I don't think I ever indicated that I found anything that said that this was meted out as punitive rather than corrective. What I did say was that, where there was a specific case, we considered it at that time, and we found some others in which the person conducted the hearing just wasn't well enough informed as to how to do it. He was not, in other words, competent, as he should have been to do that job, and hadn't been properly trained.
>
> We have in the Midwest and Western regions installed a new hearing procedure where all of our employees out there are basically non-operating employees, and we have used a different procedure in which very well trained hearing men are set up to handle the hearing. A separate man presents the case to the hearing officer. And then it goes through the appeal process that's set up in the Railway Labor Act and by labor agreements under that Act.
>
> I think our new hearing procedure is still experimental, but it seems to be going very well. One of the things, much more important than that procedural problem, really—much more important, was that I found that our supervisors throughout the system, particularly the very junior ones, the front line supervisors, had never been given any instruction as to how to manage people. A fellow is promoted from being a mechanic to becoming a foreman or a general foreman, and he looks around and he says if I'm the boss now, the only thing to do is to go around and control people with a baseball bat. And that was going on. And it's a bad way to manage.
>
> So, the most important thing that came out of this, and came out of my own investigation—not anything that was done by the other committee—was to first establish a policy, what is Amtrak's management philosophy. How ought you go about managing people? You have, in the record, our management philosophy which I submitted.
>
> And we established a mission statement as to what we're trying to do. In order to implement that, we have started a (series of) management development and leader-

> ship training courses, starting with our lower supervisors, all the way up through our vice presidents, in which you go for a week with peers of your own level, from different parts of the country, and you discuss and analyze under the direction of expert leaders how you do go about managing people.
>
> That is being very successful. That's well along now with our first tier employees. We have classes nearly every week and I think that's going to be very successful. To me, that's the most important thing in this area that has come out of it, and I think we're making real progress.

Despite these assurances of improvements, the Committee has continued to receive complaints from Amtrak employees that these disciplinary hearings and appeals are conducted in an unprofessional and unfair manner.

The Committee directs the Inspector General to make a thorough investigation of Amtrak's discipline and grievance process. Such investigation should focus on the issues raised in the Committee's fiscal years 1985, 1986, and 1987 Amtrak budget hearings along with those issues raised by the special investigation performed by the Government Activities and Transportation Subcommittee of the House Committee on Government Operations. The Committee recommends that field investigations be focused on Amtrak operations in Chicago, New Orleans, and Miami—all areas from which complaints of disciplinary abuses have been received. The Committee expects to receive a comprehensive report on the findings, conclusions, and recommendations of this investigation by no later than February 1, 1987. At a minimum, this report should assess the adequacy of present management policies and procedures in this area, and determine whether those policies and procedures are being fully complied with by Amtrak management personnel at all levels.

TITLE II—RELATED AGENCIES

ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

SALARIES AND EXPENSES

Appropriation adjusted, 1986	$1,890,000
Budget estimate, 1987	1,975,000
Recommended, 1987	1,975,000
Comparison:	
Appropriation adjusted, 1986	+85,000
Budget estimate, 1987	....

The Committee recommends $1,975,000, an increase of $85,000 over the adjusted fiscal year 1986 level for the operations of the Architectural and Transportation Barriers Compliance Board. The activities of the Board include: ensuring compliance with the standards prescribed by the Architectural Barriers Act; ensuring that public conveyances, including rolling stock, are readily accessible to and usable by physically handicapped persons; investigating and examining alternative approaches to the elimination of architectural, transportation, communication and attitudinal barriers; determining what measures are being taken to eliminate these barriers; developing minimum guidelines and requirements for accessibility standards and providing technical assistance to all programs affected by Title V of the Rehabilitation Act.

In testimony before the Committee and by letter, the State of Florida Coordinating Council on the Transportation Disadvantaged has brought attention to the lack of information on what the social and economic costs to our society would be of not providing specialized transportation services to the elderly and handicapped. The Committee therefore directs that the Board, within available funds, conduct a study of this issue. This study should consider both the costs of providing specialized (primarily door-to-door) transportation when public transportation is either unavailable or not accessible, and the costs associated with not providing such transportation, in such areas as the impact on emotional and physical health; increased dependency on custodial or institutional care; increased unemployment and related decreases in taxes paid; increased health care needs; and other major factors. This study, along with any recommendations or alternative solutions the Board might wish to provide, should be submitted to the House and Senate Committees on Appropriations no later than October 1, 1987.

NATIONAL TRANSPORTATION SAFETY BOARD

SALARIES AND EXPENSES

Appropriation adjusted, 1986	$21,341,000
Budget estimate, 1987	21,430,000
Recommended, 1987	22,240,000
Comparison:	
Appropriation adjusted, 1986	+899,000
Budget estimate, 1987	+810,000

The bill includes an appropriation of $22,240,000, an increase of $810,000 over the budget, for the National Transportation Safety Board. Under the Independent Safety Board Act, NTSB is responsible for improving transportation safety by investigating accidents, conducting special studies, developing recommendations to prevent accidents, evaluating the effectiveness of the transportation safety programs of other agencies, and reviewing on appeal actions against certificates or licenses issued by the Department of Transportation.

The amount recommended would provide for the continuation of the fiscal year 1986 full-time equivalent employment level of 324 workyears, 18 more than included in the budget request. The Committee allowance is distributed as follows:

	Staff years	Budget authority
Policy and direction	39	$2,756,000
Accident investigation	158	10,721,000
Technology	64	4,909,000
Safety programs	25	1,555,000
Administration	32	1,522,000
Administrative law judges	6	777,000
Total	324	22,240,000

INTERSTATE COMMERCE COMMISSION

SALARIES AND EXPENSES

	Appropriation	*By transfer*
Appropriation adjusted, 1986	**$46,108,000**	**($2,300,000)**
Budget estimate, 1987	**48,300,000**	
Recommended, 1987	**47,900,000**	**(53,000)**
Comparison:		
Appropriation adjusted, 1986	**+1,792,000**	**(−2,247,000)**
Budget estimate, 1987	**−400,000**	**(+53,000)**

The Interstate Commerce Commission is an independent federal agency responsible for regulating interstate surface transportation within the United States. In carrying out its regulatory responsibilities, the Commission attempts to ensure that competitive, efficient, and safe transportation services are provided to meet the needs of shippers, receivers, and consumers.

The ICC today maintains jurisdiction over approximately 35,000 for-hire companies providing surface transportation in the United States. These companies include railroads, trucking firms, bus lines, water carriers, one coal slurry pipeline, freight forwarders, and transportation brokers.

The Interstate Commerce Commissioners are appointed by the President and confirmed by the Senate. The ICC was formerly authorized to have 11 commissioners, each with a seven-year term of office. However, in August 1982, legislation was enacted reducing the ICC's strength from 11 to seven commissioners as of January 1, 1983, and further reducing that number to five commissioners as of January 1, 1986. Those persons appointed to be commissioners on or after January 1, 1984, are authorized to serve only five-year terms.

The Committee recommends a total program level of $47,953,000 and 800 full-time permanent staff years for the Interstate Commerce Commission in fiscal year 1987. This is $347,000 below the budget request.

The Committee allowance is to be distributed as follows:

	Staff years	Budget authority
Chairman	7	$500,000
Commissioners	24	1,700,000
Satellite offices	16	1,090,000
Secretary	85	3,590,000
General Counsel	27	1,835,000
Proceedings	140	8,980,000
Hearings	6	460,000
Special Counsel	15	935,000
Transportation analysis	30	2,480,000
Accounts	75	4,828,000
Traffic	75	3,520,000
Compliance and consumer affairs	218	13,415,000
Managing director	82	4,620,000
Total program level	800	47,953,000

The Committee expects the Commission to use normal reprogramming procedures should it propose to deviate in any way from the staff year allocations or by more than 5 percent from the funding allocations listed above.

Reductions from the budget request include: $170,000 for bureau of accounts travel, $100,000 for computer timesharing, and $45,000 for contracts.

PAYMENTS FOR DIRECTED RAIL SERVICE

(LIMITATION ON OBLIGATION)

Limitation adjusted, 1986	($1,000,000)
Budget estimate, 1987	
Recommended, 1987	(1,000,000)
Comparison:	
Limitation adjusted, 1986	
Budget estimate, 1987	(+1,000,000)

If a railroad ceases operations due to the lack of cash or a court order, the ICC is authorized to direct other railroads to continue the service of the railroad which ceased its operations. The directed carriers are reimbursed for the losses incurred and paid six percent of gross revenues on the service performed. This authority is limited to an initial 60-day period; the Commission may extend this period for up to an additional 180 days.

The bill includes an obligation limitation of $1,000,000 for fiscal year 1987, the same as the fiscal year 1986 limitation. The ICC has indicated that no directed rail costs are anticipated in fiscal year 1987.

The bill also includes language transferring all unobligated balances from this account to ICC salaries and expenses. It is estimated that $53,000 will be so transferred.

PANAMA CANAL COMMISSION

OPERATING EXPENSES

Appropriation adjusted, 1986	$401,372,000
Budget estimate, 1987	409,770,000
Recommended, 1987	409,770,000
Comparison:	
Appropriation adjusted, 1986	+8,398,000
Budget estimate, 1987	

The Committee recommends approval of the budget request of $409,770,000 for the operating expenses of the Panama Canal Commission. The Commission is the successor agency to the Panama Canal Company and Canal Zone Government and has as its primary function the operation and maintenance of the interoceanic Panama Canal. The operation of the waterway is conducted on a commercial basis with revenues derived from tolls collected from vessels and other essential supporting services. These revenues are deposited into the U.S. Treasury and operating expenses are funded by direct appropriations.

The Commission was established by the Panama Canal Act of 1979 to carry out the responsibilities of the United States with respect to the Panama Canal under the Panama Canal Treaty of

1977. The authority of the President of the United States with respect to the Commission is exercised through the Secretary of Defense and the Secretary of the Army. The Commission is supervised by a nine-member Board. Five members are nationals of the United States and four are Panamanians. Board members who are U.S. nationals are appointed by the President with the advice and consent of the Senate. The Commission will remain in existence until the treaty terminates on December 31, 1999, when the Republic of Panama will assume full responsibility for the Canal.

Under the Panama Canal Act, the Commission is expected to be financially self-sufficient and to make payments to the Republic of Panama as specified in the treaty. The amount recommended includes $68,030,000 for estimated annuity payments to Panama pursuant to paragraphs 4(a) and 4(b) of Article XIII of the treaty and $10,000,000 for public services to be provided by Panama under paragraph 5 of Article III. No funds have been included for payments to Panama under Article XIII, paragraph 4(c). These amounts are to be paid out of appropriations only to the extent that Canal operating revenues exceed expenditures of the Commission. Since the Committee does not anticipate that revenues will, in fact, exceed expenditures, no funds are recommended for this purpose.

CAPITAL OUTLAY

Appropriation adjusted, 1986	$24,403,000
Budget estimate, 1987	27,480,000
Recommended, 1987	24,403,000
Comparison:	
Appropriation adjusted, 1986	
Budget estimate, 1987	−3,077,000

The Committee recommends a continuation of the adjusted fiscal year 1986 appropriation of $24,403,000 for the capital outlay program of the Commission. This is $3,077,000 less than the budget estimate. This reduction is based primarily on project slippages.

UNITED STATES RAILWAY ASSOCIATION

ADMINISTRATIVE EXPENSES

Appropriation adjusted, 1986	$2,297,000
Budget estimate, 1987	
Recommended, 1987	2,297,000
Comparison:	
Appropriation adjusted, 1986	
Budget estimate, 1987	+2,297,000

The USRA is a nonprofit federal corporation established under the Regional Rail Reorganization Act of 1973 (3R Act, P.L. 93-236), as amended by the Railroad Revitalization and Regulatory Reform Act of 1976 (4R Act, P.L. 94-210), the Staggers Rail Act of 1980 (P.L. 96-448), and the Northeast Rail Service Act of 1981 (NERSA, P.L. 97-35). The USRA developed the plan for reorganizing seven bankrupt railroads in the Northeast quadrant of the country into the Conrail system and Conrail began operating that system on April 1, 1976.

Currently, the major functions of the Association are to monitor and report to the Congress on the performance of Conrail, steps taken to implement the Northeast Rail Service Act and other matters affecting the quality of rail service in the region, and the security of federal funds invested in Conrail.

USRA has a five-member Board of Directors: the USRA Chairman; the Secretary of Transportation; the Comptroller General of the United States; the Chairman of the Interstate Commerce Commission; and the Chairman of Conrail. In addition, there is an advisory board consisting of the USRA Chairman, three government members, and four public members selected from organizations representing state and municipal government, labor, and large and small shippers.

BUDGET SUMMARY

The Committee believes it is in the public interest to continue the USRA's Conrail monitoring function through fiscal year 1987 since the proposal to sell Conrail has not been finalized. On February 4, 1986, the Senate approved by a vote of 54 yeas to 39 nays the administration's proposal to sell Conrail for $1.2 billion to Norfolk Southern Corporation. To date, the House of Representatives has not acted on this legislation, leaving the date, means and status of Conrail's return to the private sector uncertain. The Committee therefore recommends an appropriation of $2,297,000 for USRA administrative expenses in fiscal year 1987. This will support 22 full-time permanent positions.

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

INTEREST PAYMENTS

Appropriation, 1986	$51,663,569
Budget estimate, 1987	51,663,569
Recommended, 1987	51,663,569
Comparison:	
Appropriation, 1986	
Budget estimate, 1987	

The Committee has approved the full budget request of $51,663,569 to provide federal support for the interest payments on the bonded indebtedness of the Washington Metropolitan Area Transit Authority. The bond repayment agreement between the Department of Transportation and the Authority establishes an overall two-thirds federal and one-third local sharing arrangement. However, for the interest payments due on July 1, 1979, through July 1, 1982, the Federal Government was authorized to fund up to 85 percent of the cost. To the extent the Authority has used these additional federal funds (up to 85 percent), repayment will be required no later than January 1993.

TITLE III—GENERAL PROVISIONS

The Committee concurs with the general provisions that apply to the Department of Transportation and related agencies as proposed in the budget with the following deletion:

The proposed general provision to amend the National Visitor Center Facilities Act of 1968 has not been included.

The Committee has not approved the requested deletion of the following sections, all of which were contained in the fiscal year 1986 Department of Transportation and Related Agencies Appropriations Act:

Section 306 prohibits the use of funds for two rail-highway crossings.

Section 308 deals with state inspection fees or sticker requirements.

Section 310 relates to the availability of funds authorized in section 21(a)(2)(B) of the Urban Mass Transportation Act of 1964, as amended.

Section 311 prohibits the use of funds to change the current federal status of the Transportation Systems Center. This provision has been modified to make the prohibition permanent law and to include the Turner-Fairbank Highway Research Center.

Section 314 prohibits the use of funds for salaries and expenses of more than 138 political or Presidential appointees in the Department of Transportation.

Section 315 limits funds for Department of Transportation advisory committees to $725,000.

Section 316 prohibits the use of funds for the proposed Woodward light rail line in Detroit, Michigan until a source of operating funds has been approved in accordance with Michigan law.

Section 317 exempts from the limitation on obligations for the discretionary grants program of the Urban Mass Transportation Administration funds made available in prior years.

Section 318 limits funding for the Central Automated Transit System in Detroit, Michigan, to $5,000,000.

Sections 309 and 313 are included as requested in the budget with technical modifications.

In addition, the following new general provisions are recommended by the Committee:

Section 319 releases the City of Linden, New Jersey, from terms, conditions, reservations and restrictions contained in the deed dated February 27, 1947.

Section 320 prohibits funds to implement section 404 of title 23, U.S. Code.

Section 321 requires reports on safety enforcement, shipment of nuclear and hazardous materials, and transportation planning.

Section 322 requires publication of sections 3 and 9 UMTA grants in the Federal Register.

Section 323 earmarks $9,001,532 of section 3 UMTA funds for Philadelphia, Pennsylvania.

Section 324 includes language defining "maxi-cube vehicles".

Section 325 prohibits funds for a study involving access by a causeway or bridge across wetlands of San Francisco Bay to U.S. Highway 880.

Section 326 prohibits funds to implement a policy providing for funding of only a single visual glideslope indicator, except with regard to Part 139 airports.

Section 327 prohibits funds for the conditioning of UMTA grants on the amount of private sector participation.

Section 328 prohibits airport grant funds to any airport that fails to provide designated and enforced smoking and non-smoking areas for passengers.

Section 329 amends section 324 of the Department of Transportation and Related Agencies Appropriations Act, 1986.

Section 330 relates to state and local government limitations on contracts based on the contractor's business in South Africa.

This provision will make clear that a state or local government that has adopted legislation concerning public contracts with persons doing business in South Africa may apply the legislation to contracts funded pursuant to the Department of Transportation and Related Agencies Appropriation Bill, 1987, as long as any increase in cost resulting from the application of the legislation is paid by the state or local government. To illustrate, the City of New York has adopted a local law providing that when the lowest bidder for a contract does not certify that it will not do business with the South African military and police, the City may award the contract to a bidder whose bid is within 5 percent of the low bid, and who will so certify. Under the provision of this amendment, it will be clear that the City may apply its law to its federally aided contracts as long as it enters into an agreement with the Secretary that if a contract is awarded to other than the low bidder because of the low bidder's failure to make the certification about its business in South Africa, the City will pay the difference in cost between the bid of the low bidder and the bid that is accepted.

Section 331 prohibits landing rights of South African aircraft.

Section 332 relates to the suitability for reemployment of air traffic controllers who participated in the 1981 strike.

HOUSE OF REPRESENTATIVES REPORT REQUIREMENTS

The following items are included in accordance with various requirements of the Rules of the House of Representatives:

Inflationary Impact Statement

Clause 2(l)(4) of Rule XI of the House of Representatives requires that each Committee report on a bill or resolution shall contain a statement as to whether enactment of such bill or resolution may have an inflationary impact on prices and costs in the operation of the national economy.

The accompanying bill contains appropriations for new spending authority of $10,284,900,569. Of the amount recommended, about 57 percent is for personnel and operating costs of the various transportation bureaus and agencies. This amount will fund less than a 4 percent increase in the total number of military and civilian positions over the fiscal year 1986 level. The Committee does not believe that the level nor the increase in these personnel costs will have a measurable impact on the aggregate rate of inflation. Approximately 14 percent of the amounts recommended in the bill will finance transportation planning and operating costs for states, cities, and certain private organizations, and 3 percent will finance various transportation research and development activities.

The remaining 26 percent will finance transportation construction and development projects in various parts of the nation. The

Committee believes these activities will improve our nation's transportation system. Improved and lower cost transportation can reduce the prices of goods by lowering the costs of production and by improving labor productivity through specialization. The Committee also believes that improved and lower cost transportation provides more producers with the opportunity to sell their products in more markets, thereby enhancing competition and providing consumers with broader choices and lower prices. Consequently, the level of financing provided for transportation construction activities would have an inflationary impact only to the extent that the benefits resulting from lower cost transportation were offset by higher prices resulting from insufficient capacity in the construction industry to meet all of the demands for construction by the public and private sectors.

TRANSFERS OF FUNDS

Pursuant to clause 1(b) of Rule X of the House of Representatives, the following statement is submitted describing the transfers of funds provided in the accompanying bill.

The Committee recommends a number of transfers between accounts, totaling $21,467,000. The following table shows the appropriations affected by the transfers recommended:

Account to which transfer is to be made	Amount	Account from which transfer is to be made	Amount
Title I.—Department of Transportation:		Title I.—Department of Transportation:	
Coast Guard: Reserve training	$5,000,000	Coast Guard: Alteration of bridges	$3,000,000
		Coast Guard: Pollution fund	2,000,000
Federal Aviation Administration: Facilities and equipment.	1,914,000	Federal Aviation Administration: Research, engineering, and development.	1,914,000
Federal Railroad Administration: Office of the administrator.	3,500,000	Federal Railroad Administration: Rail service assistance.	3,500,000
Federal Railroad Administration: Grants to the National Railroad Passenger Corporation.	11,000,000	Federal Railroad Administration: Conrail workforce reduction.	11,000,000
Title II.—Related Agencies:		Title II.—Related Agencies:	
Interstate Commerce Commission: Salaries and expenses.	53,000	Interstate Commerce Commission: Payments for directed rail service.	53,000

RESCISSIONS

Pursuant to clause 1(b) of Rule X of the House of Representatives, the following statement is submitted describing the rescissions recommended in the accompanying bill.

The Committee recommends two rescissions totaling $55,000,000 as follows:

Account	*Amounts recommended for rescission*
Title I.—Department of Transportation:	
Federal Aviation Administration, grants-in-aid for airports (airport and airway trust fund) (rescission of contract authority)	−$50,000,000
National Highway Traffic Safety Administration, highway traffic safety grants, alcohol safety incentive grants (rescission of contract authority)	−5,000,000

Compliance With Rule XIII—Clause 3

In compliance with clause 3 of Rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

The accompanying bill would amend section 411(c) of Public Law 97-424, as follows:

(c) No State shall prohibit *maxi-cube vehicles or* commercial motor vehicle combinations consisting of a truck tractor and two trailing units on any segment of the National System of Interstate and Defense Highways, and those classes of qualifying Federal-aid Primary System highways as designated by the Secretary pursuant to subsection (e) of this section.

The accompanying bill would amend section 411(f) of Public Law 97-424, as follows:

(f)*(1)* For the purposes of this section, "truck tractor" shall be defined as the noncargo carrying power unit that operates in combination with a semitrailer or trailer, except that a truck tractor and semitrailer engaged in the transportation of automobiles may transport motor vehicles on part of the power unit.

(2) Maxi-cube vehicle defined.—For purposes of this section, "maxi-cube vehicle" means a truck tractor combined with a semi-trailer and a separable cargo-carrying unit which is designed to be loaded and unloaded through the semi-trailer, except that the entire combination shall not exceed 65 feet in length and the separable cargo-carrying unit shall not exceed 34 feet in length.

The accompanying bill would amend section 324 of the Department of Transportation and Related Agencies Appropriations Act, 1986, as follows:

Sec. 324. (a) General Rule.—Tolls collected for motor vehicles on any bridge connecting the borough of Brooklyn, New York, and Staten Island, New York, shall only be collected for those vehicles exiting from such bridge in Staten Island.

(b) Enforcement.—The Secretary shall withhold 1 percent of the amount required to be apportioned to the State of New York under sections 104 and 144 of title 23, United States Code, on the first day of the fiscal year succeeding any fiscal year in which tolls collected for motor vehicles on the bridge referred to in subsection (a) are collected for those vehicles exiting from such bridge in the borough of Brooklyn.

(c) Period of Applicability.—This section shall apply on and after the 90th day following the date of enactment of this section, except that this section shall not apply after the date on which the Secretary publishes in the Federal Register [a determination] *the certification* under subsection (d).

[(d) Removal of Limitation.—

[(1) Determination of Secretary.—Subsections (a) and (b) shall cease to be in effect if, upon petition by the Governor of New York under paragraph (2), the Secretary determines that—

[(A) a substantial loss of revenues has resulted from the limitation imposed by subsection (a), or

[(B) such limitation has resulted in significant traffic problems,

and the Secretary publishes such determination in the Federal Register.

[(2) PETITION.—The Governor of New York may petition the Secretary for a determination under paragraph (1) at any time after a period of six consecutive months in which tolls collected for motor vehicles on the bridge referred to in subsection (a) have been collected only for those vehicles exiting from such bridge in Staten Island.]

(d) REMOVAL OF LIMITATION.—Subsections (a) and (b) shall cease to be in effect if the Chairman of the Board of the Metropolitan Transportation Authority (a public authority of the State of New York) certifies to the Secretary that——

(1) a loss of revenues has resulted from the limitation imposed by subsection (a); or

(2) such limitation has resulted in other traffic problems.

The Secretary shall publish such certification in the Federal Register not later than 10 days after the certification is made to the Secretary.

The accompanying bill would amend section 112(b) of title 23, United States Code, as follows:

(b) [Construction] *(1) Except as provided in paragraph (2), construction* of each project, subject to the provisions of subsection (a) of this section, shall be performed by contract awarded by competitive bidding, unless the State highway department demonstrates, to the satisfaction of the Secretary, that some other method is more cost effective. Contracts for the construction of each project shall be awarded only on the basis of the lowest responsive bid submitted by a bidder meeting established criteria of responsibility. No requirement or obligation shall be imposed as a condition precedent to the award of a contract to such bidder for a project, or to the Secretary's concurrence in the award of a contract to such bidder, unless such requirement or obligation is otherwise lawful and is specifically set forth in the advertised specifications.

(2) LIMITATIONS CONCERNING SOUTH AFRICA ON AWARDS OF CONTRACTS.—A State or local governmental body that is a recipient of Federal funds under this title may prohibit or otherwise limit the award of contracts by providing for terms and conditions related to the contractor's business in South Africa in accordance with a State or local law if the State or local governmental body first enters into an agreement with the Secretary that any costs incurred as a result of such prohibition or limitation which are in excess of the costs that would otherwise have been incurred with respect to such project under this title will not, for purposes of this title, be considered to be a cost of such project.

The accompanying bill would amend section 12(b) of the Urban Mass Transportation Act of 1964, as amended, as follows:

(b)(1) All contracts for construction, reconstruction, or improvement of facilities and equipment in furtherance of the purposes for which a loan or grant is made under this Act, entered into by applicants under other than competitive bidding procedures as defined by the Secretary, shall provide that the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall, for the purpose of audit and examination, have access to any books, documents, papers, and records of the contracting parties that are pertinent to the operations or activities under such contracts.

(2) In lieu of requiring that contracts for the acquisition of rolling stock be awarded based on consideration of performance, standardization, life-cycle costs and other factors, or on the basis of lowest initial capital cost, such contracts may be awarded based on a competitive procurement process. The Secretary shall report to Congress within a year of enactment of the Federal Public Transportation Act of 1982 on any legislative or administrative revisions required to ensure that procurement procedures are fair and competitive.

(3) LIMITATIONS CONCERNING SOUTH AFRICA ON AWARDS OF CONTRACTS.—A recipient of a grant under this Act may prohibit or otherwise limit the award of contracts with respect to a project under this Act by providing for terms and conditions related to the contractor's business in South Africa in accordance with a State or local law if such recipient first enters into an agreement with the Secretary that any costs incurred as a result of such prohibition or limitation which are in excess of the costs that would otherwise have been incurred with respect to such project under this Act will not, for purposes of this Act, be considered to be a cost of such project.

CHANGES IN EXISTING LAW

Pursuant to clause 3 of Rule XXI of the House of Representatives, the following statements are submitted describing the effect of provisions in the accompanying bill which might be construed, under some circumstances, as directly or indirectly changing the application of existing law.

The bill contains appropriations for a number of items for which authorizations for fiscal year 1987 have not yet been enacted. The items in this category involve some or all of the programs of the Office of the Secretary, Coast Guard, Federal Highway Administration, National Highway Traffic Safety Administration, Federal Railroad Administration, Urban Mass Transportation Administration, Saint Lawrence Seaway Development Corporation, Research and Special Programs Administration, Architectural and Transportation Barriers Compliance Board, National Transportation Safety Board, Panama Canal Commission, and United States Railway Association.

The bill provides that appropriations shall remain available for more than one year for a number of programs for which the basic authorizing legislation does not explicitly authorize such extended availability.

The bill includes limitations on official entertainment, reception and representation expenses for the Office of the Secretary of Transportation, Saint Lawrence Seaway Development Corporation, National Transportation Safety Board, Interstate Commerce Commission, Panama Canal Commission, and United States Railway Association. Similar provisions have appeared in many previous appropriation acts.

The bill provides for several transfers of funds and two rescissions which might be construed as changing the application of existing law. Similar provisions have appeared in previous appropriation acts. These items are discussed under the appropriate headings in the report.

The bill includes a number of limitations on the purchase of automobiles. Similar limitations have appeared in many previous appropriation acts.

Several limitations on obligations are contained in Title I. These limitations are included under the following headings in the bill: Coast Guard, boat safety; Coast Guard, offshore oil pollution compensation fund; Coast Guard, deepwater port liability fund; Federal Aviation Administration, grants-in-aid for airports; Federal Highway Administration, highway-related safety grants; Federal Highway Administration, federal-aid highways; Federal Highway Administration, motor carrier safety grants; National Highway Traffic Safety Administration, highway traffic safety grants; and Urban Mass Transportation Administration, discretionary grants.

Language has been included in several instances permitting certain funds to be credited to the appropriations recommended.

Language is included under Office of the Secretary, salaries and expenses, making minority business resource center funds available for business opportunities related to any mode of transportation.

The bill includes language that limits operating costs and capital outlays of the Department of Transportation Working Capital Fund.

Language is included under Coast Guard, operating expenses, providing not less than $372,983,000 for drug enforcement activities.

The Committee is also recommending language under Coast Guard, operating expenses, that prohibits the use of funds for shipping commissioners and limits funds for yacht documentation to the amount of fees collected from yacht owners.

Language is included under Coast Guard, acquisition, construction, and improvements, requiring warranties in contracts for major systems acquisitions of the Coast Guard.

The Committee recommends language under Coast Guard, offshore oil pollution compensation fund, and deepwater port liability fund, providing borrowing authority if available appropriations are not adequate to meet the obligations of these funds.

Language is included under Coast Guard, boat safety, prohibiting funds for the improvement of recreational boating facilities.

The Committee is recommending language under Federal Aviation Administration, operations, that prohibits the use of funds for new applicants for the second career training program and for a pilot test of contractor maintenance.

The bill includes language under Federal Aviation Administration, facilities and equipment, related to aviation science and management programs.

The bill includes language under Federal Aviation Administration, construction, metropolitan Washington airports, requiring the submission of master plans for these airports.

Language is included providing borrowing authority of not to exceed $75,000,000 for payment of defaulted aircraft loan guarantees.

The bill includes limitations on general and administrative expenses for the Federal Highway Administration and Saint Lawrence Seaway Development Corporation. Similar limitations have been included in many previous appropriation acts.

The bill includes language under Federal Highway Administration providing several multi-year authorizations and exempting certain projects from the limitation on obligations for federal-aid highways and highway safety construction programs.

Language is included earmarking funds to implement the recommendations of the 1985 National Academy of Sciences report on trauma research.

The bill includes language permitting the National Highway Traffic Safety Administration to assess fees for expenses of collecting, storing, analyzing and disseminating national accident statistical data used by non-governmental entities.

The bill includes language prohibiting new loans guaranteed under the Emergency Rail Services Act of 1970 and section 211(a) or 211(h) of the Regional Rail Reorganization Act of 1973, loans guaranteed under 45 U.S.C. 602, and new loans guaranteed for railroad rehabilitation and improvement financing funds.

Language is included under Federal Railroad Administration, office of the administrator, prohibiting the sale or transfer of Washington Union Station without the prior approval of the House and Senate Committees on Appropriations. Language is also included under this heading providing for the distribution of local rail service assistance funds.

The bill includes language making the provisions of Public Law 85-804 applicable to the Northeast Corridor improvement program.

The Committee is recommending language under Federal Railroad Administration, Northeast Corridor improvement program, to permit the Secretary to waive the provisions of 23 U.S.C. 322 (c) and (d) if it is determined such action would serve a public purpose and directing that all public at-grade-level crossings along the Corridor be equipped with protective devices.

Language is included under Federal Railroad Administration, grants to the National Railroad Passenger Corporation, to make certain capital improvements of the Corporation subject to 31 U.S.C. 1341, to provide that no funds are required to be expended or reserved for expenditure pursuant to 45 U.S.C. 601(e), to establish certain conditions prior to the obligation of funds for certain improvements on the main line track between Atlantic City, New Jersey and the main line of the Northeast Corridor, and to establish certain conditions on a proposed rail construction project between Spuyten Duyvil, New York and the main line of the Northeast Corridor.

The Committee recommends language authorizing the Secretary to issue fund anticipation notes and notes necessary to pay obligations under section 511 through 513 of the 4R Act and to expend proceeds from the sale of fund anticipation notes.

The bill includes language under Research and Special Programs Administration limiting the grants-in-aid for natural gas and hazardous liquid pipeline safety increase over fiscal year 1986 to support for additional state enforcement personnel.

The bill includes language under Interstate Commerce Commission, salaries and expenses, providing that joint board members and cooperating state commissioners may use government transportation requests when traveling in connection with their official duties as such.

The Committee is recommending language limiting to $1,000,000 obligations for payments for directed rail service under the Interstate Commerce Commission.

Language is included under Washington Metropolitan Area Transit Authority, interest payments, providing for the disbursement of the funds in accordance with the Initial Bond Repayment Participation Agreement as well as Public Law 96-184.

Sections 301 through 332 of the bill contain a number of general provisions that place limitations on the use of funds in the bill and which might, under some circumstances, be construed as changing the application of existing law.

The bill includes several new provisions relating to (1) releasing the city of Linden, New Jersey from terms of a deed, (2) prohibiting funds to implement section 404 of title 23, U.S. Code, (3) reports on safety enforcement, hazardous and nuclear materials shipments, and transportation planning, (4) publication of UMTA grants in the Federal Register, (5) center city commuter connection in Philadelphia, (6) defining maxi-cube vehicles, (7) prohibiting funds for a study involving access by a causeway or bridge across wetlands of San Francisco Bay, (8) visual glideslope indicator funding, (9) conditioning transit grants on private sector involvement, (10) smoking and non-smoking areas in airports, (11) amending section 324 of the Department of Transportation and Related Agencies Appropriations Act, 1986, (12) limitations concerning South Africa on awards of contracts, (13) prohibition on landing rights of South African aircraft, and (14) suitability for employment of air traffic controllers who participated in the 1981 strike.

COMPARISON WITH BUDGET RESOLUTION

Section 308(a)(1)(A) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93-344), as amended, requires that the report accompanying a bill providing new budget authority contain a statement detailing how the authority compares with the reports submitted under section 302 of the Act for the most recently agreed to concurrent resolution on the budget for the fiscal year. This information follows:

[$ in millions]

	Sec. 302(b)			This bill		
	Discretionary	Mandatory	Total	Discretionary	Mandatory	Total
Budget authority	$9,900	$402	10,302	$9,900	$385	10,285
Outlays	9,038	17,981	27,019	9,051	17,473	26,524
Direct loans	82	0	82	58	0	58
Primary guarantees	0	0	0	0	0	0

The bill provides new spending authority as defined under section 401(c)(2) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93–344), as amended, as follows. Under Coast Guard, Offshore oil pollution compensation fund, and Deepwater port liability fund, borrowing authority is provided if available appropriations are not adequate to meet the obligations of these funds. Under the Federal Railroad Administration, Railroad rehabilitation and improvement financing funds, authority is provided to issue notes necessary to pay obligations under sections 511 through 513 of the 4R Act. These provisions have been included at the request of the administration because the government's financial obligations under these programs are difficult to determine in advance and may require immediate expenditures of funds. The Committee has received no indication to date that this authority will be used in fiscal year 1987. Similar provisions have been included in many previous appropriation Acts.

FIVE-YEAR OUTLAY PROJECTIONS

In accordance with section 308(a)(1)(C) of the Congressional Budget Act of 1974 (Public Law 93–344), as amended, the following information was provided to the Committee by the Congressional Budget Office:

Budget authority in bill	$10,284,900,569
Outlays:	
1987	$6,757,535,000
1988	1,486,412,000
1989	674,731,000
1990	518,138,000
1991 and beyond	848,084,569

FINANCIAL ASSISTANCE TO STATE AND LOCAL GOVERNMENTS

In accordance with section 308(a)(1)(D) of Public Law 93–344, the new budget authority and outlays provided by the accompanying bill for financial assistance to State and local governments are as follows:

Budget authority	$2,519,314,000
Outlays	850,782,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1986 AND THE BUDGET ESTIMATES FOR 1987

PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY—FEDERAL AND TRUST FUNDS

[Becomes available automatically under earlier, or "permanent" law without further, or annual action by the Congress. Thus, these amounts are not included in the accompanying bill.]

	New budget authority fiscal year 1986	New budget authority fiscal year 1987	Fiscal year 1986 compared with fiscal year 1987
DEPARTMENT OF TRANSPORTATION			
Federal Railroad Administration:			
Railroad Rehabilitation and Improvement Financing Fund, FFB Direct Loan	1,600,000	3,800,000	+2,200,000
Coast Guard: Pollution fund (indefinite)	7,000,000	7,000,000	---
Total, permanent new budget (obligational) authority, Federal funds	8,600,000	10,800,000	+2,200,000
DEPARTMENT OF TRANSPORTATION			
Coast Guard:			
General gift fund (indefinite)	80,000	80,000	---
Federal Aviation Administration:			
Grants-in-aid for airports (airport and airway trust fund) (contract authority)	1,017,000,000	1,017,200,000	+200,000
Federal Highway Administration:			
Federal-aid highways (contract authority)	15,344,163,000	4,100,000,000	-11,244,163,000
Highway-related safety grants (contract authority)	10,000,000	---	-10,000,000
Miscellaneous trust funds	4,322,000	4,981,000	+659,000
National Highway Traffic Safety Administration:			
Highway traffic safety grants (contract authority)	132,000,000	---	-132,000,000

Urban Mass Transportation Administration:			
Discretionary grants (contract authority)........	**1,100,000**	**---**	**-1,100,000**
Total, permanent new budget (obligational) authority, Trust funds......................	**16,508,665,000**	**5,122,261,000**	**-11,386,404,000**
Total, permanent new budget (obligational) authority......................................	**16,517,265,000**	**5,133,061,000**	**-11,384,204,000**

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1986 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1987

Agency and item	New budget (obligational) authority, fiscal year 1986	Budget estimates of new (obligational) authority, fiscal year 1987	New budget (obligational) authority, recommended in bill	Bill compared with— New budget (obligational) authority, fiscal year 1986	Bill compared with— Budget estimates of new (obligational) authority, fiscal year 1987
TITLE I - DEPARTMENT OF TRANSPORTATION					
Office of the Secretary					
Salaries and expenses	49,094,000	56,540,000	49,094,000	---	-7,446,000
Transportation planning, research, and development	3,349,000	---	3,349,000	---	+3,349,000
(Limitation on working capital fund)	(64,500,000)	(69,640,000)	(64,500,000)	---	(-5,140,000)
Payments to air carriers	26,796,000	---	21,000,000	-5,796,000	+21,000,000
Total, Office of the Secretary	79,239,000	56,540,000	73,443,000	-5,796,000	+16,903,000
Coast Guard					
Operating expenses	1,606,894,000	1,862,800,000	1,849,800,000	+242,906,000	-13,000,000
(By transfer)	(20,400,000)	---	---	(-20,400,000)	---
Acquisition, construction, and improvements	207,956,000	77,100,000	101,850,000	-106,106,000	+24,750,000
(By transfer)	(21,250,000)	---	---	(-21,250,000)	---
Alteration of bridges	4,976,000	---	---	-4,976,000	---
Retired pay	341,489,000	364,000,000	364,000,000	+22,511,000	---
Reserve training	58,857,000	65,200,000	58,857,000	---	-6,343,000
(By transfer)	---	---	(5,000,000)	(+5,000,000)	(+5,000,000)
Research, development, test, and evaluation	20,097,000	20,500,000	20,100,000	+3,000	-400,000
Offshore oil pollution compensation fund	957,000	1,000,000	1,000,000	+43,000	---
(Limitation on obligations)	(57,420,000)	(60,000,000)	(60,000,000)	(+2,580,000)	---
Deepwater port liability fund	957,000	1,000,000	1,000,000	+43,000	---
(Limitation on obligations)	(47,850,000)	(50,000,000)	(50,000,000)	(+2,150,000)	---
Boat safety:					
(Liquidation of contract authorization)	(30,000,000)	(15,000,000)	(15,000,000)	(-15,000,000)	---
(Limitation on obligations)	(28,710,000)	(15,000,000)	(15,000,000)	(-13,710,000)	---
Total, Coast Guard	2,242,183,000	2,391,600,000	2,396,607,000	+154,424,000	+5,007,000

Federal Aviation Administration					
Headquarters administration	61.631.000	34.913.000	34.500.000	-27.131.000	-413.000
Operations	2.658.732.000	2.764.867.000	2.797.447.000	+138.715.000	+32.580.000
(By transfer)	(4.250.000)	---	---	(-4.250.000)	---
Subtotal. Operations and headquarters administration	2.720.363.000	2.799.780.000	2.831.947.000	+111.584.000	+32.167.000
Facilities and equipment (Airport and Airway Trust Fund)	950.301.000	825.000.000	828.000.000	-122.301.000	+3.000.000
(By transfer)	---	---	(1.914.000)	(+1.914.000)	(+1.914.000)
Research, engineering and development (Airport and Airway Trust Fund)	181.830.000	134.500.000	141.700.000	-40.130.000	+7.200.000
(By transfer)	(87.220.000)	---	---	(-87.220.000)	---
Grants-in-aid for airports:					
(Liquidation of contract authorization) (Airport and Airway Trust Fund)	(693.000.000)	(800.000.000)	(800.000.000)	(+107.000.000)	---
(Limitation on obligations)	(885.225.000)	(712.500.000)	(1.017.200.000)	(+131.975.000)	(+304.700.000)
Rescission	---	---	-50.000.000	-50.000.000	-50.000.000
Operation and maintenance, Metropolitan Washington Airports	32.634.000	34.600.000	35.000.000	+2.366.000	+400.000
Construction, Metropolitan Washington Airports	6.699.000	7.000.000	50.000.000	+43.301.000	+43.000.000
Aircraft purchase loan guarantee program (borrowing authority)	(75.000.000)	(125.000.000)	(75.000.000)	---	(-50.000.000)
Total, Federal Aviation Administration	3.891.827.000	3.800.880.000	3.836.647.000	-55.180.000	+35.767.000
Federal Highway Administration					
(Limitation on general operating expenses)	(194.999.000)	(206.191.000)	(202.750.000)	(+7.751.000)	(-3.441.000)
Highway safety research and development	8.134.000	7.000.000	7.000.000	-1.134.000	---
Highway-related safety grants:					
(Liquidation of contract authorization) (Highway Trust Fund)	(9.000.000)	(12.000.000)	(12.000.000)	(+3.000.000)	---
(Limitation on obligations)	(9.570.000)	(10.000.000)	(10.000.000)	(+430.000)	---
Railroad-highway crossings demonstration projects	15.312.000	---	23.500.000	+8.188.000	+23.500.000
Federal-aid highways:					
(Limitation on obligations)	(13.125.000.000)	(12.420.000.000)	(13.125.000.000)	---	(+705.000.000)
(Liquidation of contract authorization) (Highway Trust Fund)	(13.836.000.000)	(13.036.000.000)	(13.036.000.000)	(-800.000.000)	---
Right-of-way Revolving Fund (limitation on direct loans) (Highway Trust Fund)	(47.850.000)	(50.000.000)	(47.850.000)	---	(-2.150.000)
Motor carrier safety	13.302.000	19.515.000	20.447.000	+7.145.000	+932.000
Motor carrier safety grants	16.269.000	---	---	-16.269.000	---
(Limitation on obligations)	---	---	(50.000.000)	(+50.000.000)	(+50.000.000)
(Liquidation of contract authorization) (Highway Trust Fund)	---	---	(18.000.000)	(+18.000.000)	(+18.000.000)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1986 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1987—Continued

Agency and item	New budget (obligational) authority, fiscal year 1986	Budget estimates of new (obligational) authority, fiscal year 1987	New budget (obligational) authority, recommended in bill	Bill compared with— New budget (obligational) authority, fiscal year 1986	Bill compared with— Budget estimates of new (obligational) authority, fiscal year 1987
Access highways to public recreation areas on certain lakes	4,785,000	---	---	-4,785,000	---
(By transfer)	(5,000,000)	---	---	(-5,000,000)	---
Baltimore-Washington Parkway (Hisnway Trust Fund)	2,871,000	---	9,000,000	+6,129,000	+9,000,000
Waste isolation pilot project roads	6,699,000	---	---	-6,699,000	---
Rail Line Consolidation project (by transfer)	(4,000,000)	---	---	(-4,000,000)	---
Airport-Highway Demonstration Project	---	---	1,887,000	+1,887,000	+1,887,000
(By transfer)	(1,350,000)	---	---	(-1,350,000)	---
Expressway gap closing project	8,613,000	---	13,900,000	+5,287,000	+13,900,000
Intermodal Urban Demonstration Project (Highway Trust Fund)	---	---	11,000,000	+11,000,000	+11,000,000
Highway Safety and Economic Development Demonstration projects (Highway Trust Fund)	---	---	10,000,000	+10,000,000	+10,000,000
Airport Access Demonstration Project (Highway Trust Fund)	---	---	4,000,000	+4,000,000	+4,000,000
Highway Safety Improvement Demonstration Project (Highway Trust Fund)	---	---	7,000,000	+7,000,000	+7,000,000
Highway-Railroad Grade Crossing Safety Demonstration Project (Highway Trust Fund)	---	---	3,000,000	+3,000,000	+3,000,000
Nuclear Waste Transportation Safety Demonstration Project (Highway Trust Fund)	---	---	4,000,000	+4,000,000	+4,000,000
Theodore Roosevelt Bridge Capacity Improvements (Highway Trust Fund)	---	---	1,500,000	+1,500,000	+1,500,000
Airport Access Highway Demonstration Project (Highway Trust Fund)	---	---	5,000,000	+5,000,000	+5,000,000
Total, Federal Highway Administration	75,985,000	26,515,000	121,234,000	+45,249,000	+94,719,000
National Highway Traffic Safety Administration					
Operations and research	80,246,000	83,930,000	93,600,000	+13,354,000	+9,670,000
(By transfer)	(5,500,000)	---	---	(-5,500,000)	---

Highway traffic safety grants:					
(Liquidation of contract authorization) (Trust Fund)	(149,000,000)	(118,000,000)	(122,000,000)	(-27,000,000)	(+4,000,000)
State and community highway safety (limitation on obligations)	(121,060,000)	(110,000,000)	(121,060,000)	---	(+11,060,000)
Alcohol safety incentive grants (limitation on obligations)	(27,562,000)	(17,900,000)	(14,400,000)	(-13,162,000)	(-3,500,000)
Rescission	---	---	-5,000,000	-5,000,000	-5,000,000
Total, National Highway Traffic Safety Administration	80,246,000	83,930,000	88,600,000	+8,354,000	+4,670,000
Federal Railroad Administration					
Office of the Administrator	9,685,000	10,958,000	23,250,000	+13,565,000	+12,292,000
(By transfer)	---	(5,875,000)	(3,500,000)	(+3,500,000)	(-2,375,000)
Railroad safety	26,570,000	35,819,000	25,700,000	-870,000	-10,119,000
Railroad research and development	10,144,000	---	9,800,000	-344,000	+9,800,000
Rail service assistance	19,331,000	---	---	-19,331,000	---
Northeast corridor improvement program	11,962,000	---	16,962,000	+5,000,000	+16,962,000
Grants to the National Railroad Passenger Corporation	562,237,000	---	602,000,000	+39,763,000	+602,000,000
(By transfer)	(28,500,000)	---	(11,000,000)	(-17,500,000)	(+11,000,000)
Railroad Rehabilitation and Improvement Financing Funds (limitation on new loan guarantees)	(3,828,000)	---	---	(-3,828,000)	---
Redeemable preference shares	32,059,000	---	9,000,000	-23,059,000	+9,000,000
Conrail commuter transition assistance	---	---	5,000,000	+5,000,000	+5,000,000
(By transfer)	(5,000,000)	---	---	(-5,000,000)	---
Total, Federal Railroad Administration	671,988,000	46,777,000	691,712,000	+19,724,000	+644,935,000
Urban Mass Transportation Administration					
Administrative expenses	28,710,000	---	31,000,000	+2,290,000	+31,000,000
Research, training, and human resources	16,652,000	---	17,600,000	+948,000	+17,600,000
Formula grants	2,057,550,000	---	2,000,000,000	-57,550,000	+2,000,000,000
Transportation block grants - transit:					
(Limitation of obligations)	---	(1,220,000,000)	---	---	(-1,220,000,000)
(Liquidation of contract authorization)	---	(264,625,000)	---	---	(-264,625,000)
Discretionary grants:					
(Limitation on obligations)	(1,000,543,000)	---	(1,015,000,000)	(+14,457,000)	(+1,015,000,000)
(Liquidation of contract authorization)	(775,000,000)	(950,000,000)	(950,000,000)	(+175,000,000)	---
Interstate transfer grants-transit	191,400,000	---	200,000,000	+8,600,000	+200,000,000
(By transfer)	(18,750,000)	---	---	(-18,750,000)	---
Washington Metro	217,239,000	---	217,239,000	---	+217,239,000
Total, Urban Mass Transportation Administration	2,511,551,000	---	2,465,839,000	-45,712,000	+2,465,839,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1986 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1987—Continued

Agency and item	New budget (obligational) authority, fiscal year 1986	Budget estimates of new (obligational) authority, fiscal year 1987	New budget (obligational) authority recommended in bill	Bill compared with— New budget (obligational) authority, fiscal year 1986	Bill compared with— Budget estimates of new (obligational) authority, fiscal year 1987
Saint Lawrence Seaway Development Corporation					
(Limitation on administrative expenses)	(1.834.000)	(1.990.000)	(1.925.000)	(+91.000)	(-65.000)
Eisenhower Lock Repair	---		2.000.000	+2.000.000	+2.000.000
Research and Special Programs Administration					
Research and special programs	18.470.000	20.024.000	20.800.000	+2.330.000	+776.000
Office of the Inspector General					
Salaries and expenses	26.413.000	27.630.000	27.770.000	+1.357.000	+140.000
Total, title I, Department of Transportation:					
New budget (obligational) authority (net)	9.597.902.000	6.453.896.000	9.724.652.000	+126.750.000	+3.270.756.000
Appropriations	(9.597.902.000)	(6.453.896.000)	(9.779.652.000)	(+181.750.000)	(+3.325.756.000)
Rescission	---	---	(-55.000.000)	(-55.000.000)	(-55.000.000)
(By transfer)	(201.220.000)	(5.875.000)	(21.414.000)	(-179.806.000)	(+15.539.000)
(Limitations on general operating and administrative expenses)	(196.833.000)	(208.181.000)	(204.675.000)	(+7.842.000)	(-3.506.000)
(Limitations on obligations)	(15.302.940.000)	(14.615.400.000)	(15.477.660.000)	(+174.720.000)	(+862.260.000)
(Limitations on direct loans)	(47.850.000)	(50.000.000)	(47.850.000)	---	(-2.150.000)
(Limitations on new loan guarantees)	(3.828.000)	---	---	(-3.828.000)	---
(Limitation on working capital fund)	(64.500.000)	(69.640.000)	(64.500.000)	---	(-5.140.000)
(Liquidation of contract authorization)	(15.492.000.000)	(15.195.625.000)	(14.953.000.000)	(-539.000.000)	(-242.625.000)
(Borrowing authority)	(75.000.000)	(125.000.000)	(75.000.000)	---	(-50.000.000)
TITLE II - RELATED AGENCIES					
Architectural and Transportation Barriers Compliance Board					
Salaries and expenses	1.890.000	1.975.000	1.975.000	+85.000	---
National Transportation Safety Board					
Salaries and expenses	21.341.000	21.430.000	22.240.000	+899.000	+810.000

Interstate Commerce Commission					
Salaries and expenses	46,108,000	48,300,000	47,900,000	+1,792,000	-400,000
(By transfer)	(2,300,000)	---	(53,000)	(-2,247,000)	(+53,000)
Payments for directed rail service (limitation on obligations)	(1,000,000)	---	(1,000,000)	---	(+1,000,000)
Panama Canal Commission					
Operating expenses	401,372,000	409,770,000	409,770,000	+8,398,000	---
Capital outlay	24,403,000	27,480,000	24,403,000	---	-3,077,000
Total, Panama Canal Commission	425,775,000	437,250,000	434,173,000	+8,398,000	-3,077,000
United States Railway Association					
Administrative expenses	2,297,000	---	2,297,000	---	+2,297,000
Washington Metropolitan Area Transit Authority					
Interest payments	51,663,569	51,663,569	51,663,569	---	---
Total, title II, related agencies:					
New budget (obligational) authority	549,074,569	560,618,569	560,248,569	+11,174,000	-370,000
(Limitation on obligations)	(1,000,000)	---	(1,000,000)	---	(+1,000,000)
RECAPITULATION					
Grand total:					
New budget (obligational) authority (net)	10,146,976,569	7,014,514,569	10,284,900,569	+137,924,000	+3,270,386,000
Appropriations	(10,146,976,569)	(7,014,514,569)	(10,339,900,569)	(+192,924,000)	(+3,325,386,000)
Rescission	---	---	(-55,000,000)	(-55,000,000)	(-55,000,000)
(By transfer)	(203,520,000)	(5,875,000)	(21,467,000)	(-182,053,000)	(+15,592,000)
(Limitations on general operating and administrative expenses)	(196,833,000)	(208,181,000)	(204,675,000)	(+7,842,000)	(-3,506,000)
(Limitations on obligations)	(15,303,940,000)	(14,615,400,000)	(15,478,660,000)	(+174,720,000)	(+863,260,000)
(Limitations on direct loans)	(47,850,000)	(50,000,000)	(47,850,000)	---	(-2,150,000)
(Limitations on new loan guarantees)	(3,828,000)	---	---	(-3,828,000)	---
(Limitation on working capital fund)	(64,500,000)	(69,640,000)	(64,500,000)	---	(-5,140,000)
Memoranda:					
(Appropriations to liquidate contract authorizations)	(15,492,000,000)	(15,195,625,000)	(14,953,000,000)	(-539,000,000)	(-242,625,000)
Total, appropriations including appropriations to liquidate contract authorization	(25,638,976,569)	(22,210,139,569)	(25,237,900,569)	(-401,076,000)	(+3,027,761,000)
Total, New budget (obligational) authority and limitation on obligations	25,450,916,569	21,629,914,569	25,763,560,569	+312,644,000	+4,133,646,000